

MODIFICATION

TO

U.S. ENVIRONMENTAL PROTECTION AGENCY
UNDERGROUND INJECTION CONTROL PERMIT
AUTHORIZATION TO OPERATE A CLASS II INJECTION WELL
EPA UIC PERMIT NUMBER KYI0881

Pursuant to the Underground Injection Control regulations of the U.S. Environmental Protection Agency codified at Title 40 of the Code of Federal Regulations, Section 144.41(d) UIC Permit Number KYI0476 is hereby modified to show a change in ownership or operational control as follows: **861**

Well Name and Location: Minnie Hill #1-D
Lee County, Kentucky
Carter Coordinate 18-N-71

Original Owner/Operator: Triad Resources, Inc.
P.O. Box 430
Reno, Ohio 45773

New Owner/Operator: Hunter Disposal
38505 Marietta Road
Dexter City, Ohio 45727

This modification is in accordance with the limitations, monitoring requirements and other conditions set forth herein. This permit modification consists of this cover sheet.


All references to Title 40 of the Code of Federal Regulations are to regulations that are in effect on the date that this permit modification becomes effective.

This permit modification shall become effective on DEC 14 2011.

This permit modification shall be attached to the original permit and is hereby made a part thereof. This permit modification shall remain in full force and effect during the operating life of the well, unless the permit is otherwise modified, revoked and reissued, terminated, or a minor modification is made as provided at 40 CFR §§144.39, 144.40 and 144.41.

DEC 14 2011

Date


James D. Giattina
Director
Water Protection Division



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

DEC 14 2011

Mr. James W. Denny III
Hunter Disposal
38505 Marietta Road
Dexter City, Ohio 45727

Subject: Transfer of Ownership of Underground Injection Control Permit KYI0881

Well Name: Minnie Hill #1-D

Change Effective: DEC 14 2011

Dear Mr. Denny:

In accordance with 40 CFR §144.41 and as per your request of November 11, 2011, the subject permit is hereby revised to show a transfer in ownership or operational control. Enclosed is a copy of the approved transfer with the change as indicated in your letter. Please place these pages in your files as a record of the transfer. Under the provisions of 40 CFR §144.41, this is considered a minor modification and is therefore not subject to the draft permit, comment period and public notice requirements as contained in 40 CFR Part 124. If you have any questions, please contact Mr. William Mann of my staff at (404) 562-9452.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Giattina".

James D. Giattina
Director
Water Protection Division

Enclosure


 United States Environmental Protection Agency
 Washington, DC 20460

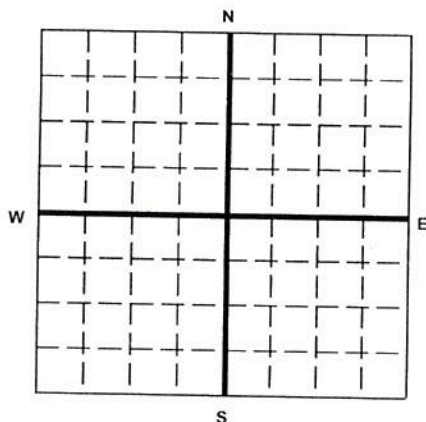
Application To Transfer Permit

Name and Address of Existing Permittee

 TRIAD RESOURCES INC.
 PO BOX 430 RENO, OH 45773

Name and Address of Surface Owner

KY10881

**Locate Well and Outline Unit on
Section Plat - 640 Acres**

 State
 KY

 County
 LEE

 Permit Number
 KYS1292152

Surface Location Description

___ 1/4 of ___ 1/4 of ___ 1/4 of ___ 1/4 of Section ___ Township ___ Range ___

Locate well in two directions from nearest lines of quarter section and drilling unit

Surface

 Location ___ ft. frm (N/S) ___ Line of quarter section
 and ___ ft. from (E/W) ___ Line of quarter section.

18-N-71

Well Activity
Well Status
Type of Permit

___ Class I

___ Operating

___ Individual

☒ Class II

___ Modification/Conversion

___ Area

☒ Brine Disposal

___ Proposed

Number of Wells ___

___ Enhanced Recovery

___ Hydrocarbon Storage

___ Class III

___ Other

Lease Number MINNIE HILL

Well Number I-D

Name(s) and Address(es) of New Owner(s)

 HUNTER DISPOSAL
 38505 MARIETTA ROAD DEXTER CITY, OH 45727

Name and Address of New Operator

 HUNTER DISPOSAL
 38505 MARIETTA ROAD DEXTER CITY, OH 45727

Attach to this application a written agreement between the existing and new permittee containing a specific date for transfer of permit responsibility, coverage, and liability between them.

The new permittee must show evidence of financial responsibility by the submission of a surety bond, or other adequate assurance, such as financial statements or other materials acceptable to the Director.

Certification

I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32)

Name and Official Title (Please type or print)

Signature

Date Signed

James W Denny III, President

11/11/11

Mr. James W. Denny III
Hunter Disposal
38505 Marietta Road
Dexter City, Ohio 45727

Subject: Transfer of Ownership of Underground Injection Control Permit KYI0881
Well Name: Minnie Hill #1-D
Change Effective:

Dear Mr. Denny:

In accordance with 40 CFR §144.41 and as per your request of November 10, 2011, the subject permit is hereby revised to show a transfer in ownership or operational control. Enclosed is a copy of the approved transfer with the change as indicated in your letter. Please place these pages in your files as a record of the transfer. Under the provisions of 40 CFR §144.41, this is considered a minor modification and is therefore not subject to the draft permit, comment period and public notice requirements as contained in 40 CFR Part 124. If you have any questions, please contact Mr. William Mann of my staff at (404) 562-9452.

Sincerely,

James D. Giattina
Director
Water Protection Division

Enclosure

Concurrence: Mann McManus Marcus Allenbach Hudson
com 12/8/11 *JDM 12/8/11* *Ph 12/8/11* *DPG 12/8/11* *3/10/12 12/8/11*

G/SDWB/Groundwater + SDWA/UIC/UIC Permits/MANN/KYI0881-32

WHEN RECORDED, RETURN TO:

**David E. Morrison
2200 Ross Avenue
Suite 2800
Dallas, TX 75201-2784**

Lee County, Kentucky

ASSIGNMENT, CONVEYANCE AND BILL OF SALE

This Assignment, Conveyance and Bill of Sale (the "Assignment") from Triad Oil and Gas Co., Ltd. ("Grantor"), to Hunter Disposal, LLC ("Grantee") whose address is 777 Post Oak Blvd., Ste. 910, Houston, Texas 77056, is executed on the date set forth on the signature page hereof (the "Execution Date"), and made effective as of 7:00 a.m. Eastern Standard Time, February 12, 2010 ("Effective Date") and is subject to the Asset Purchase Agreement dated October 28, 2009 (the "Purchase Agreement"), by and among Triad Energy Corporation and its affiliates, and Magnum Hunter Resources Corporation and its affiliates, dated October 28, 2009 as amended as of January 22, 2010 (the "Purchase Agreement"). This Assignment is made pursuant to the Order Confirming Joint Plan of Reorganization of Triad Resources, Inc., *et al.* dated October 30, 2009, as Modified January 25, 2010, and attached hereto as Exhibit A (the "Confirmation Order"). Capitalized terms used but not defined herein shall have the respective meanings set forth in the Purchase Agreement, the terms of which are expressly subject to and incorporated herein by reference.

ARTICLE 1.

Assignment of Oil and Gas Interests

Section 1.1 Assignment: Grantor, for and in consideration of the sum of Ten Dollars (\$10) cash and other good and valuable consideration, in hand paid, the receipt and sufficiency of which is hereby acknowledged, hereby grants, bargains, sells, assigns and conveys unto Grantee with warranty of title to the extent and only to the extent set forth in the Purchase Agreement, and Grantee hereby accepts from Grantor,

all of Grantor's right, title and interest in and to the following properties, assets, rights and entitlements, subject, however, to the Permitted Encumbrances (as defined in the Purchase Agreement) (collectively the "Assets"):

(a) The wellbore to the disposal well set forth on Exhibit B as such wellbore exists in, under and through the oil and gas leases set forth on Exhibit B.

TO HAVE AND TO HOLD the Assets unto Grantee, its successors and assigns, forever, subject, however, to the terms and conditions of this Assignment.

Section 1.2 Warranty of Title and Disclaimers or Warranties:

(a) This Assignment is made: (i) with warranty of title to the extent and only to the extent set forth in the Purchase Agreement and (ii) with full substitution and subrogation of Grantee and all persons claiming by, through and under Grantee, to the extent assignable, in and, to the extent provided in the Purchase Agreement, to all covenants and warranties by Grantor's predecessors in title and with full subrogation of all rights accruing under the statutes of limitation or prescription under the laws of the state in which the Assets are located. Consequently, this instrument is an Assignment, without warranties, as provided herein, and not a quitclaim.

(b) THE ASSETS ARE SOLD, CONVEYED, TRANSFERRED AND ASSIGNED ON AN **"AS IS, WHERE IS" BASIS "WITH ALL FAULTS"** AND THAT EXCEPT AS EXPRESSLY SET FORTH IN SECTION 1.4, SECTION 1.5 AND ARTICLE III OF THE PURCHASE AGREEMENT, GRANTOR MAKES NO REPRESENTATIONS OR WARRANTIES, TERMS, CONDITIONS, UNDERSTANDINGS OR COLLATERAL AGREEMENTS OF ANY NATURE OR KIND, EXPRESS OR IMPLIED, BY STATUTE OR OTHERWISE, CONCERNING THE ASSETS OR THE CONDITION, QUALITY, OR USEFULNESS, OF THE ASSETS, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH WARRANTIES ARE ALSO HEREBY EXPRESSLY DISCLAIMED. THE PARTIES FURTHER ACKNOWLEDGE AND AGREE THAT NO PARTY SHALL BE LIABLE UNDER THIS AGREEMENT FOR ANY LOST PROFITS OR INDIRECT, CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES UNDER ANY CIRCUMSTANCES.

ARTICLE 2.
Assumption of Obligations

Section 2.1 Assumed Grantor Obligations: Effective as of the Effective Date, Grantee assumes and agrees to fulfill, perform, pay and discharge (or cause to be fulfilled, performed, paid or discharged) all of the Assumed Liabilities.

ARTICLE 3.
Miscellaneous

Section 3.1 Further Assurances: After the Execution Date, Grantor, without further consideration, will use its reasonable good faith efforts to execute, deliver and (if applicable) file or record or cause to be executed, delivered and filed or recorded such good and sufficient instruments of conveyance and transfer, and take such other action as may be reasonably required of Grantor to effectively vest in Grantee beneficial and record title to the Assets conveyed pursuant hereto and, if applicable, to put Grantee in actual possession of such Assets. After the date of this Assignment, Grantee shall, without further consideration, execute, deliver and (if applicable) file or record, or cause to be executed, delivered and filed or recorded, all instruments, and take such actions, as may be reasonably required of Grantee to accomplish the conveyance and transfer of the Assets, any change in operator, and otherwise consummate the transactions contemplated by this Assignment and the Purchase Agreement, and shall send all required notices with respect to the Assets.

Section 3.2 Assignment Subject to Confirmation Order and Purchase Agreement: This Assignment is expressly subject to the terms of the Confirmation Order and of the Purchase Agreement.

Section 3.3 Successors and Assigns: This Assignment shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 3.4 Titles and Captions: All article or section titles or captions in this Assignment are for convenience only, shall not be deemed part of this Assignment and in no way define, limit, extend, or describe the scope or intent of any provisions hereof. Except to the extent otherwise stated in this Assignment, references to "Articles" and "Sections" are to Articles and Sections of this Assignment, and references to "Exhibits" are to Exhibits attached to this Assignment, which are made parts hereof for all purposes.

Section 3.5 Counterparts:

(a) This Assignment may be executed in any number of counterparts, and by different parties in separate counterparts, and each counterpart hereof shall be deemed to be an original instrument, but all such counterparts when combined shall constitute but one instrument.

(b) To facilitate recordation, there are omitted from the Exhibits to this Assignment in certain counterparts descriptions of property located in recording jurisdictions other than the jurisdiction in which the particular counterpart is to be filed or recorded.

Section 3.6 Transfer Taxes: This Assignment and Bill of Sale is not subject to transfer tax in any jurisdiction by Order of the U.S. Bankruptcy Court for the Southern District of Ohio, Eastern Division.

GRANTOR:
TRIAD OIL AND GAS CO., LTD.

By: [Signature]
Name: ROBERT J. ROBERTS
Title: PRESIDENT
Date: _____, 2010

GRANTOR:

STATE OF Ohio §
COUNTY OF Cuyahoga §
§

The foregoing instrument was acknowledged before me this _____ day of February, 2010 by Robert J. Roberts, PRESIDENT of TRIAD OIL AND GAS CO., LTD., an Ohio limited liability company, on behalf of the limited liability company.

CARINA DOTSON
NOTARY PUBLIC • STATE OF OHIO
My commission expires Jan. 22, 2011

[Signature: Carina Dotson]

Printed Name: _____

Notary Public for the State of _____

County of _____

Serial number, if any: _____

My commission expires: _____

GRANTEE:
HUNTER DISPOSAL, LLC

By: Ronald D. Ormand
Name: Ronald D. Ormand
Title: Vice President
Date: February 10, 2010

GRANTEE:

STATE OF Texas §
COUNTY OF Harris §
§

The foregoing instrument was acknowledged before me this 10th day of February, 2010 by Ronald D. Ormand, Vice President of HUNTER DISPOSAL, LLC a Delaware limited liability company, on behalf of the limited liability company.



Bryan P Dahlberg

Printed Name: Bryan P. Dahlberg

Notary Public for the State of Texas

County of Harris

Serial number, if any: _____

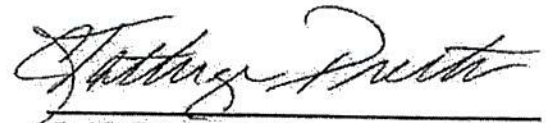
My commission expires: April 10, 2013

This document has been electronically entered in the records of the United States Bankruptcy Court for the Southern District of Ohio.

IT IS SO ORDERED.

Dated: January 28, 2010




C. Kathryn Preston
United States Bankruptcy Judge

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION

-----	X	
In re:	:	Case No. 08-62733
	:	
Triad Resources, Inc., <i>et al.</i> , ¹	:	Chapter 11 – Jointly Administered
	:	
Debtors.	:	Judge C. Kathryn Preston
-----	X	

**ORDER CONFIRMING JOINT PLAN OF REORGANIZATION OF TRIAD
RESOURCES, INC., ET AL. DATED OCTOBER 30, 2009, AS MODIFIED JANUARY
25, 2010**

Upon (a) the *Joint Plan of Reorganization of Triad Resources, Inc., et al. Dated October 30, 2009, as Modified* [Docket No. 543], and all subsequent modifications thereto, including the *Joint Plan of Reorganization of Triad Resources, Inc., et al. Dated October 30, 2009, as Modified January 25, 2010* [Docket No. 605] (collectively, the “Plan”), filed by Debtors and Debtors-in-Possession (collectively, the “Plan Proponents”), as may have been amended and/or modified herein or in connection with the hearings on confirmation thereof held on January 26,

¹ The “Debtors” in the instant cases include each of Triad Resources, Inc. (Case No. 08-62733, “Triad Resources”); Triad Energy Corporation, (Case No. 08-62744, “Triad Energy”); TriTex Energy, L.L.C. (Case No. 08-62747, “TriTex Energy”); TriTex Resources, L.L.C., Case No. 08-62749, “TriTex Resources”); Triad Oil & Gas Co., Ltd. (Case No. 08-62757, “Triad Oil & Gas”); and Alpha Drilling, Ltd. (Case No. 08-62759, “Alpha Drilling”).
CLE - 2225314.8

45. Amendment to Section 10.4 of the Plan. Section 10.4 of the Plan is hereby amended as follows: (a) the term "Effective Date" is hereby stricken and replaced with the term "Closing Date" and (b) the term "Mechanics' Lien Reserve" is hereby stricken and replaced with the term "Mechanics Lien Fund".

46. Amendment to Section 10.5 of the Plan. "Effective Date" as used in Section 10.5 of the Plan is hereby replaced with "Closing Date."

47. Amendment to Section 13.1 of the Plan. "Effective Date" as used in Section 13.1 of the Plan is hereby replaced with "Closing Date."

48. Amendment to Section 20.17 of the Plan. "1146I" appearing in the first line of Section 20.17 of the Plan is hereby stricken and replaced with "1146(a)".

###

PREPARED AND SUBMITTED BY:

/s/ Daniel A. DeMarco
Daniel A. DeMarco (0038920)
Rocco I. Debitetto (0073878)
Hahn Loeser & Parks LLP
200 Public Square, Suite 2800
Cleveland, Ohio 44114
Telephone: (216) 621-0150
Facsimile: (216) 241-2824
E-Mail: dademarco@hahnlaw.com
ridebitetto@hahnlaw.com

Attorneys for Debtors and Debtors-in-Possession

Copies to: the parties on the attached Service Lists

TRIAD OIL AND GAS, LTD TO HUNTER DISPOSAL, LLC
LEE COUNTY, KENTUCKY

WELL NAME	PERMIT NO.	LESSOR	LESSEE	VOL/PAGE	DISTRICT	CO.	ST
Hill, Minnie #1D WATER DISPOSAL WELL	103152	Minnie M. Hill	Renovard	3/81	Primrose	Lee	KY
		Christina A. Adams	Renovard	22/88	Primrose	Lee	KY
		Ellis Adams	Renovard	22/121	Primrose	Lee	KY
		Eugene Adams	Renovard	22/91	Primrose	Lee	KY
		Prescovia S. Adams	Renovard	22/94	Primrose	Lee	KY
		William R. Adams	Renovard	22/184	Primrose	Lee	KY
		James D. Arnold	Renovard	22/169	Primrose	Lee	KY
		Manford R. Arnold	Renovard	22/148	Primrose	Lee	KY
		Lucille A. Gilkeson	Renovard	22/118	Primrose	Lee	KY
		David H. Ison	Renovard	22/369	Primrose	Lee	KY
		James H. Ison	Renovard	22/145	Primrose	Lee	KY
		Thomas J. Jones,					
		Trustee	Renovard	23/53	Primrose	Lee	KY

Recorded this the 17 day of Feb 2010
 Book No. 100 Page 182
 LEE COUNTY CLERK RUSSELL STAMPER
 BY Kimberly Stogsdill D.C.
 at 9:25 AM.

2011 NOV 17 P 5:38

U.S. EPA REGION 4
GWD WB



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

OCT 22 2008

Mr. Keen Weaver
Triad Resources, Inc.
27724 State Route 7 North
Marietta, Ohio 45750

Subject: Final UIC Permit No. KYI 0881
Effective: OCT 22 2008
Permit Writer: William Mann

Dear Mr. Weaver:

Enclosed is the Underground Injection Control (UIC) permit referenced above. This action constitutes the U.S. Environmental Protection Agency's final permit decision in accordance with 40 CFR § 124.15(a).

Under 40 CFR § 124.19, any person who filed comments on the draft permit or participated in the public hearing may contest this decision by petitioning the Administrator to review any condition of the permit decision. In this case, since no public hearing was held and no comments were filed during the public notice period, no appeal may be taken regarding this decision. Pursuant to 40 CFR § 124.15(b), this permit will be effective as specified in the permit.

If you have any questions concerning the enclosed permit, please contact us at the above address or by calling William Mann at (404) 562-9452.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Giattina".

James D. Giattina
Director
Water Management Division

Enclosure

Mr. Keen Weaver
Triad Resources, Inc.
27724 State Route 7 North
Marietta, Ohio 45750

Subject: Final UIC Permit No. KYI 0881
Effective: OCT 22 2008
Permit Writer: William Mann

Dear Mr. Weaver:

Enclosed is the Underground Injection Control (UIC) permit referenced above. This action constitutes the U.S. Environmental Protection Agency's final permit decision in accordance with 40 CFR § 124.15(a).

Under 40 CFR § 124.19, any person who filed comments on the draft permit or participated in the public hearing may contest this decision by petitioning the Administrator to review any condition of the permit decision. In this case, since no public hearing was held and no comments were filed during the public notice period, no appeal may be taken regarding this decision. Pursuant to 40 CFR § 124.15(b), this permit will be effective as specified in the permit.

If you have any questions concerning the enclosed permit, please contact us at the above address or by calling William Mann at (404) 562-9452.

Sincerely,

James D. Giattina
Director
Water Management Division

Enclosure

Concurrence: Mann Ellington Shell Howell Graf

WMM
10/9/08

YD
10/9/08

MS
10/9/08

U.S. ENVIRONMENTAL PROTECTION AGENCY
UNDERGROUND INJECTION CONTROL PERMIT
AUTHORIZATION TO OPERATE A CLASS II INJECTION WELL
EPA UIC PERMIT NUMBER KYI0881

Pursuant to the Underground Injection Control regulations of the US Environmental Protection Agency codified at Title 40 of the Code of Federal Regulations (CFR), Parts 124, 144, 146 and 147,

Triad Resources, Inc.
27724 State Route 7 North
Marietta, Ohio 45750

is hereby authorized to convert, operate, plug and abandon the following Class II disposal injection well:

Minnie Hill #1-D
Primrose Oil Field
Lee County, Kentucky
Carter Coordinate 18-N-71
516' FNL x 950' FEL

This authorization is in accordance with the limitations, monitoring requirements and other conditions set forth herein. This permit consists of this cover sheet; Part I, 6 pages; and Part II, 13 pages.

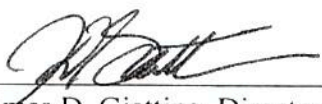
All references to Title 40 of the Code of Federal Regulations are to regulations that are in effect on the date that this permit becomes effective.

This permit shall become effective on OCT 22 2008.

This permit and the authorization to inject shall remain in full force and effect during the operating life of the well, unless this permit is otherwise modified, revoked, reissued, terminated, or a minor modification is made as provided at 40 CFR §§ 144.39, 144.40 and 144.41. This permit shall be reviewed at least once every five years from the effective date.

OCT 22 2008

Date


James D. Giattina, Director
Water Management Division
U.S. Environmental Protection Agency
Region 4

PART I

WELL SPECIFIC CONDITIONS

SECTION A. CONSTRUCTION REQUIREMENTS

1. Casing and Cementing

The permittee shall maintain all casing and cement so as to prevent the movement of fluids into or between underground sources of drinking water. The casing and cement used in the conversion of the well shall be designed for the life expectancy of the well. Conversion of this well shall be performed as specified in Attachments L & M of the permit application.

2. Tubing and Packer

Injection may only take place through tubing with a packer set within the casing no higher than 4300 feet below land surface. The tubing and packer shall be maintained in a manner which is compatible with the injection operation specified in Part I, Section B, and which prevents the movement of fluids into or between underground sources of drinking water.

3. Logs, Tests and Reports

The following tests and reports shall be prepared and submitted to EPA to demonstrate mechanical integrity:

- (a) A copy of all logs run in the well.
- (b) Cement tickets and invoice from the contracted cementing service company indicating cement volume, type, additives, and a job description summary.
- (c) A demonstration of the mechanical integrity of the well is required before injection can be authorized. The demonstration will consist of a pressure test on the tubing/casing annulus to at least 300 psig with less than three percent pressure loss in 30 minutes or an approved alternative mechanical integrity test (MIT). The permittee shall contact EPA to arrange a date to conduct this test. A representative of EPA will be present to witness this test. If the well fails the test, the permittee shall cease injection operations until the problem is corrected and mechanical integrity can be demonstrated.
- (d) The permittee shall prepare a report, including procedures and results, of the

logging and testing programs. Each log shall include a written interpretation prepared by a knowledgeable log analyst. The report must be submitted in accordance with Part I, Section A, Item 4, and shall be signed in accordance with Part II, Section E, Item 11, of this permit.

4. Commencing Injection

The well authorized by this permit may not commence injection until:

- (a) Conversion is complete, and the permittee has submitted to the Director, by certified mail with return receipt requested, a notice of completion using EPA Form 7520-10, and either:
 - (i) The Director has inspected or otherwise reviewed the new injection well and finds it is in compliance with the conditions of the permit; or
 - (ii) The permittee has not received, within thirteen (13) days of the date of the Director's receipt of the notice required above, notice from the Director of his or her intent to inspect or otherwise review the new injection well, in which case prior inspection or review is waived and the permittee may commence injection.
- (b) The permittee has demonstrated to EPA that the injection well has mechanical integrity, and has submitted the reports as specified in Part I, Section A, Item 3.

SECTION B. OPERATING REQUIREMENTS

1. Injection Operation

Beginning on the date that Part I, Section A, Item 4, is completed and lasting through the term of this permit, the permittee is authorized to inject only fluids brought to the surface in connection with conventional oil and natural gas production from the permittee's operations in the nearby areas for disposal operations under the following conditions:

(a) Injection Zone

Injection shall be limited to the Rose Run sand in the perforated interval between 4345 and 4395 feet below land surface and the Copper Ridge dolomite in the perforated interval between 4430 and 4459 feet below land surface.

(b) Injection Pressure Limitation

- (i) The maximum allowable wellhead injection pressure for the Minnie Hill #1-D will be 1500 psig. Upon approval by the Director, the permittee may inject at the maximum pressure attained during any step-rate test conducted on the injection well authorized by this permit. Step-rate injectivity test procedures must be approved by the Director prior to conducting the test and the test may be witnessed by EPA or an agent designated by EPA.
- (ii) Injection at a pressure which initiates or propagates fractures in the confining zone or causes the movement of injection or formation fluids into an underground source of drinking water is prohibited.
- (iii) Injection between the outermost casing protecting underground sources of drinking water and the well bore is prohibited.

2. Annulus Operation

The annulus between the tubing and the long-string casing shall be filled with brine or other fluid as approved by the Director. The annulus pressure shall be maintained at zero psig.

The annulus shall be monitored with a gauge designed to indicate both a vacuum (below atmospheric) and positive pressure (above atmospheric). The permittee shall comply with Part I, Section B, Item 3, when a change in the annulus pressure of 13 psig occurs. The permittee shall provide an explanation to the Director for the change in pressure and measures that will be taken to restore annulus pressure to achieve compliance with this Section. If the cause of annulus pressure change is not corrected within 48 hours, the permittee shall cease injection unless such order to cease operation is waived by the Director.

3. Loss of Mechanical Integrity During Operation

The permittee shall cease injection if a loss of mechanical integrity as defined at 40 CFR § 146.8 becomes evident during operation. Operation shall not be resumed until the permittee has complied with the provisions of Part II, Section G, of this permit regarding mechanical integrity demonstration and testing.

The permittee shall notify the Director of the loss of mechanical integrity in accordance with the reporting procedures in Part II, Section E, Item 12(d). The Director may allow the owner or operator of the well to continue or resume injection if the owner or operator

makes a satisfactory demonstration under 40 CFR § 144.51(q)(3) that there is no movement of fluid into or between the USDWs.

SECTION C. MONITORING REQUIREMENTS

1. Sampling and Analysis Methods

Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity. Grab samples shall be used for the laboratory analysis of the physical and chemical characteristics as specified in Part I, Section C, Item 3(a). Test methods and procedures shall be as specified at 40 CFR § 136.3 or 40 CFR Part 261, Appendix III. When the analytical method for a particular parameter is not specified at either 40 CFR § 136.3 or 40 CFR Part 261, Appendix III, the permittee must obtain the Director's approval of the method used. The permittee shall identify the types of tests and methods used to generate all monitoring data. Reports to be generated from monitoring data are specified in Part I, Section D.

2. Injection Operation Monitoring

The permittee shall monitor the operation of the injection well as follows:

<u>Parameter</u>	<u>Monitoring Frequency</u>
Injection Pressure (psig) at Wellhead	Weekly
Annulus Pressure (psig) at Wellhead	Weekly
Flow Rate (barrels/day) of Injected Fluid	Weekly
Cumulative Volume (barrels) of Injected Fluid	Monthly

Observation and recording of injection pressure, annulus pressure, flow rate and cumulative volume shall be made over equal time intervals beginning on the date on which the well commences operation. Recordings shall be of representative values.

3. Injection Fluid Analysis

The permittee shall conduct an injection fluid analysis at least once every twelve (12)

months and whenever changes are made to the injection fluid. Analyses shall be made beginning within twelve (12) months from the effective date of this permit, or twelve (12) months from the most recent analysis, whichever is later. For wells that resume injection after having been shut in, the permittee will have thirty (30) days from the date injection resumes for the submission of the injection fluid analysis. An analysis must include:

- (a) pH, total dissolved solids, and specific gravity; and
- (b) a list of all chemicals and their composition used for any well stimulation and fracturing during that sampling year; and a list of any additives used and their chemical composition, including any inhibitors used to prevent scaling, corrosion, or bacterial growth. These lists should indicate the brand name of the product and the manufacturer.

On the written request of EPA, an injection fluid analysis shall include the following additional constituents: barium, calcium, total iron, magnesium, sodium, bicarbonate, carbonate, chloride, sulfate, carbon dioxide, dissolved oxygen, hydrogen sulfide, and purgeable aromatic hydrocarbons.

SECTION D. REPORTING REQUIREMENTS

1. Reports on Well Tests and Workovers

Within ninety (90) days after the completion of the activity, the permittee shall report to the Director the results of the following:

- (a) Mechanical integrity tests, other than those specified in Part I, Section A, Item 3; and
- (b) Any well workover, logging or other test data, other than those specified in Part I, Section A, Item 3, revealing downhole conditions.

2. Reporting of Monitoring Results

The permittee shall submit an Annual Monitoring Report, EPA Form 7520-11, whether injecting fluids or not, to the Director summarizing the results of the monitoring as specified in Part I, Section C of this permit. The first Annual Monitoring Report shall cover the period from the effective date of the Permit through December 31 of that year. Subsequently, the Annual Monitoring Report shall cover the period from January 1 through December 31, and shall be submitted by January 30 of the following year. All reports submitted to the Director shall indicate the status of the injection well, i.e., active, shut-in, or plugged.

Copies of the monitoring results required by Part I and all other reports required by Part II shall be submitted to the Director at the following address:

U.S. Environmental Protection Agency
Region 4, Water Management Division
Ground Water/Drinking Water Branch
Ground Water & UIC Section
61 Forsyth Street, SW
Atlanta, Georgia 30303-8960

3. Reporting of New Wells Drilled Within the Area of Review (AOR)

Within ten (10) days after spud date, the permittee shall report to the Director by certified mail, return receipt requested, the construction plans for any new well that will penetrate the confining zone or injection zone that is listed in the public records or otherwise known to the permittee to be within the area of review.

The Director may terminate the permit under 40 CFR § 144.40(a)(3), if the construction of the new well will not protect underground sources of drinking water from contamination and that continued injection may endanger human health or the environment.

SECTION E. PLUGGING AND ABANDONMENT PLAN

Plugging and abandonment (P&A) of the permitted injection well shall be in accordance with Part II, Section F, of this permit and 40 CFR § 146.10.

During the operating life of the permitted well, this injection facility may be screened for technologically enhanced naturally occurring radioactive material (NORM) by EPA or another party. If the permittee is notified by a party other than EPA, or becomes aware at any time that elevated levels of NORM have been detected at this injection facility, the permittee must notify EPA in writing of that fact no later than 45 days prior to the permittee's intent to P&A the well. EPA may require the permittee to revise the P&A plan to ensure the safe disposal and proper management of elevated levels of NORM waste.

The plugging of this injection well shall be performed in the manner described in Attachment Q of the permit application.

PART II
GENERAL PERMIT COMPLIANCE

A. EFFECT OF PERMIT

The permittee is allowed to engage in underground injection in accordance with the conditions of this permit. The permittee, authorized by this permit, shall not construct, operate, maintain, convert, plug, abandon, or conduct any other injection activity in a manner that allows the movement of fluid containing any contaminant into an Underground Source of Drinking Water (USDW), if the presence of that contaminant may cause a violation of any primary drinking water regulation under 40 CFR Part 142 or may otherwise adversely affect the health of persons. Any underground injection activity not specifically authorized in this permit is prohibited. Compliance with this permit does not constitute a defense to any action brought under the Safe Drinking Water Act (SDWA), or any other common or statutory law or regulation. Issuance of this permit does not convey property rights of any sort or any exclusive privilege; nor does it authorize any injury to persons or property, or invasion of other private rights, or any infringement of State or local law or regulations. Nothing in this permit shall be construed to relieve the permittee of any duties under applicable regulations.

B. PERMIT ACTIONS

1. Modification, Revocation, Reissuance and Termination. The Director may, for cause or upon request from the permittee, modify, revoke and reissue, or terminate this permit in accordance with 40 CFR §§ 144.12, 144.39, and 144.40, including but not limited to the following:
 - (a) Alterations. There are material and substantial alterations or additions to the permitted facility or activity which occurred after permit issuance which justify the application of permit conditions that are different or absent in the existing permit.
 - (b) Information. The Director has received information which was not available at the time of permit issuance (other than revised regulations, guidance, or test methods) and would have justified the application of different permit conditions at the time of issuance. For UIC area permits, this cause shall include any information indicating that cumulative effects on the environment are unacceptable.
 - (c) New regulations. The standards or regulations on which the permit was based have been changed by promulgation of newer or amended standards or regulations or by judicial decision after the permit was issued.

- (d) Compliance schedules. The Director determines good cause exists for modification of a compliance schedule, such as an act of God, strike, flood, or material shortage or other events over which the permittee has little or no control and for which there is no reasonably available remedy.
- (e) Proposed transfer. The Director receives notification of a proposed transfer of the permit.
- (f) Noncompliance. Noncompliance by the permittee with any condition of the permit.
- (g) Relevant facts. The permittees failure in the application or during the permit issuance process to disclose fully all relevant facts, or the permittees misrepresentation of any relevant facts at any time.
- (h) Endangerment. A determination that the permitted activity endangers human health or the environment and can only be regulated to acceptable levels by permit modification or termination.

Also, the permit is subject to minor modifications for cause as specified in 40 CFR § 144.41. The filing of a request for a permit modification, revocation, reissuance, or termination, or the notification of planned changes, or anticipated noncompliance on the part of the permittee does not stay the applicability or enforceability of any permit condition.

The submittal of an updated application may be required prior to the Director granting a request for permit modification.

2. Transfer of Permits. This permit is not transferable to any person except after notice to and approval by the Director, and in compliance with the requirements and conditions of 40 CFR § 144.38.

The Director may require modification or revocation and reissuance of the permit to change the name of the permittee and incorporate such other requirements as may be necessary under the SDWA.

This permit may be transferred to a new owner or operator by modification according to 40 CFR § 144.41(d), where the Director determines that no other change in the permit is necessary, provided that written agreement containing a specific date for transfer of permit responsibility, coverage, and liability between the current and new permittee has been submitted to the Director.

C. SEVERABILITY

The provisions of this permit are severable, and if any provision of this permit or the application of any provision of this permit to any circumstances is held invalid, the application of such provision to other circumstances and the remainder of this permit shall not be affected thereby.

D. CONFIDENTIALITY

In accordance with 40 CFR Part 2, any information submitted to EPA pursuant to this permit may be claimed as confidential by the submitter. Any such claim must be asserted at the time of submission by stamping the words "Confidential Business Information" on each page containing such information. If no claim is made at the time of submission, EPA may make the information available to the public without further notice. If a claim is asserted, the information will be treated in accordance with the procedures in 40 CFR Part 2(Public Information). Claims of confidentiality for the following information will be denied:

- 1) The name and address of any permit applicant or permittee;
- 2) Information which deals with the existence, absence or level of contaminants in drinking water.

E. DUTIES AND REQUIREMENTS

1. Duty to Comply. The permittee must comply with all conditions of this permit. Any permit noncompliance constitutes a violation of the SDWA and is grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application; except that the permittee need not comply with the provisions of this permit to the extent and for the duration such noncompliance is authorized in an emergency permit under 40 CFR § 144.34.
2. Penalties for Violations of Permit Conditions. Any person who violates a permit requirement is subject to civil penalties and other enforcement actions under the SDWA which may include criminal prosecution.
3. Continuation of Expiring Permits.
 - (a) Duty to Reapply. If the permittee wishes to continue an activity regulated by this permit after the expiration date of this permit, the permittee must

apply for and obtain a new permit.

- (b) Permit Extensions. The conditions of an expired permit may continue in force in accordance with 5 USC 558(c) until the effective date of the new permit, if:
 - (1) The permittee has submitted a timely application which is a complete application for a new permit; and
 - (2) The Director, through no fault of the permittee, does not issue a new permit with an effective date on or before the expiration date of the previous permit, and
 - (3) The new permit has not been denied, or if a denial has been appealed, final agency action has not occurred in accordance with 40 CFR § 124.19(f)(1).
- (c) Effect. Permits continued under 5 USC 558(c) remain fully effective and enforceable.
- (d) Enforcement. When the permittee is not in compliance with the conditions of the expiring or expired permit, the Director may choose to do any or all of the following:
 - (1) Initiate enforcement action based upon the permit which has been continued;
 - (2) Issue a notice of intent to deny the new permit. If the permit is denied, the owner or operator would then be required to cease the activities authorized by the continued permit or be subject to enforcement action for operating without a permit;
 - (3) Issue a new permit under 40 CFR Part 124 with appropriate conditions; or
 - (4) Take other actions authorized by Underground Injection Control regulations.
- (e) State Continuation. An EPA issued permit does not continue in force beyond its expiration date under Federal law if at that time a State has primary enforcement authority. A State authorized to administer the UIC program may continue either EPA or State issued permits until the

effective date of the new permits, if State law allows. Otherwise, the facility or activity is operating without a permit from the time of expiration of the old permit to the effective date of the State issued new permit.

4. Need to Halt or Reduce Activity not a Defense. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.
5. Duty to Mitigate. The permittee shall take all reasonable steps to minimize or correct any adverse impact on the environment resulting from noncompliance with this permit.
6. Proper Operation and Maintenance. The permittee shall at all times properly operate and maintain all facilities and systems of treatment and control (and related appurtenances) which are installed or used by the permittee to achieve compliance with the conditions of this permit. Proper operation and maintenance includes effective performance, adequate funding, adequate operator staffing and training, and adequate laboratory and process controls, including appropriate quality assurance procedures. This provision requires the operation of back up or auxiliary facilities or similar systems only when necessary to achieve compliance with the conditions of this permit.
7. Duty to Provide Information. The permittee shall furnish to the Director, within a time specified, any information which the Director may request to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The permittee shall also furnish to the Director, upon request, copies of records required to be kept by this permit.
8. Inspection and Entry. The permittee shall allow the Director, or an authorized representative, upon the presentation of credentials and other documents as may be required by law to:
 - (a) Enter upon the permittee's premises where a regulated facility or activity is located or conducted, or where records must be kept under the conditions of this permit;
 - (b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;
 - (c) Inspect at reasonable times any facilities, equipment (including monitoring

and control equipment), practices, or operations regulated or required under this permit; and

- (d) Sample or monitor at reasonable times, for the purposes of assuring permit compliance or as otherwise authorized by SDWA, any substances or parameters at any location.

9. Property Rights. This permit does not convey any property rights of any sort, or any exclusive privilege.

10. Monitoring and Records.

- (a) Samples and measurements taken for the purpose of monitoring shall be representative of the monitored activity.
- (b) The permittee shall retain records of all monitoring information, including the following:
 - (1) Calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation, copies of all reports required by this permit, and records of all data used to complete the application for this permit, for a period of at least three (3) years from the date of the sample, measurement, report, or application. This period may be extended by request of the Director at any time; and
 - (2) The nature and composition of all injected fluids until three (3) years after the completion of any plugging and abandonment procedures specified under 40 CFR § 144.52(a)(6), or under Part 146 Subpart as appropriate. The Director may require the owner or operator to deliver the records to the Director at the conclusion of the retention period. The owner or operator shall continue to retain the records after the three (3) year retention period unless he delivers the records to the Director or obtains written approval from the Director to discard the records.
- (c) Records of monitoring information shall include:
 - (1) The date, exact place, and time of sampling or measurements;
 - (2) The individual(s) who performed the sampling or measurements;

- (3) The date(s) analyses were performed;
- (4) The individual(s) who performed the analyses;
- (5) The analytical techniques or methods used; and
- (6) The results of such analyses.

11. Signatory Requirements.

- (a) All reports or other information submitted to the Director shall be signed and certified in accordance with 40 CFR § 144.32, as follows:
 - (1) For a corporation: by a responsible corporate officer. For the purpose of this permit, a responsible corporate officer means: (1) a president, secretary, treasurer or vice president of the corporation in charge of a principal business function, or any other person who performs similar policy - or decision making functions for the corporation, or (2) the manager of one or more manufacturing, production or operating facilities employing more than 250 persons or having gross annual sales or expenditures exceeding 25 million (in second quarter 1980 dollars), if authority to sign documents has been assigned or delegated to the manager in accordance with corporation procedures.
 - (2) For a partnership or sole proprietorship: by a general partner of the proprietor, respectively; or
 - (3) For a municipality, State, Federal, or other public agency: by either a principal executive officer or ranking elected official; or
 - (4) A duly authorized representative.
- (b) A person is a duly authorized representative only if:
 - (1) The authorization is made in writing by a person described above;
 - (2) The authorization specifies either an individual or a position having responsibility for the overall operation of the regulated facility or activity, such as the position of plant manager, operator of a well or a well field, superintendent, or position of equivalent responsibility. (A duly authorized representative may thus be

either a named individual or any individual occupying a named position.); and

- (3) The written authorization is submitted to the Director.
- (c) If an authorization under paragraph (b) above is no longer accurate because a different individual or position has responsibility for the overall operation of the facility, a new authorization satisfying the requirements of paragraph (b) of this section must be submitted to the Director prior to or together with any reports, information, or applications to be signed by an authorized representative.
- (d) Any person signing a document under paragraphs 11(a) or 11(b) of this section shall make the following certification:

“I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.”

12. Reporting Requirements.

- (a) Planned Changes. The permittee shall give written notice to the Director, as soon as possible, of any planned physical alterations or additions to the permitted facility.
- (b) Anticipated Noncompliance. The permittee shall give advance notice to the Director of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements.
- (c) Compliance Schedules. Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule of this permit shall be submitted no later than 30 days following each schedule date.
- (d) Twenty-four Hour Reporting. The permittee shall report any noncompliance which may endanger health or the environment, including:

- (1) Any monitoring or other information which indicates that any contaminant may cause an endangerment to a USDW; or
- (2) Any noncompliance with a permit condition or malfunction of the injection system which may cause fluid migration into or between USDWs.

Any information shall be provided orally within 24 hours from the time the permittee becomes aware of the circumstances. A written submission shall also be provided within five (5) days of the time the permittee becomes aware of the circumstances. The written submission shall contain a description of the noncompliance and its cause, the period of noncompliance, including exact dates and times, and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent reoccurrence of the noncompliance.

- (e) Other Noncompliance. The permittee shall report all instances of noncompliance not reported at the time monitoring reports are submitted. The reports shall contain the information listed in Part II, Section E, Item 12(d)(2) above.
- (f) Other Information. When the permittee becomes aware that he failed to submit any relevant facts in the permit application or submitted incorrect information in a permit application or in any report to the Director, the permittee shall promptly submit such facts or information.

F. PLUGGING AND ABANDONMENT

1. Notice of Plugging and Abandonment. The permittee shall notify the Director no later than 45 days before conversion or abandonment of the well. The Director may allow a shorter notice period upon written request.
2. Plugging and Abandonment. The permittee shall plug and abandon the well consistent with 40 CFR § 146.10, as provided for in the plugging and abandonment plan incorporated as part of this permit. Plugging and abandonment shall be completed to ensure that fluids are not allowed to move either into or between USDWs.

Revisions to the Plugging and Abandonment Plan must be submitted to the Director no less than 45 days prior to the plugging and abandonment. The Director must approve the revision prior to the start of plugging operations.

Within 60 days after plugging the well, or at the time of the next quarterly report (whichever is less), the owner or operator shall submit a report to the Director. If the quarterly report is due less than 15 days before completion of plugging, then the report shall be submitted within 60 days. The report shall be certified as accurate by the person who performed the plugging operation. Such report shall consist of either:

- (a) A statement that the well was plugged in accordance with the plan previously submitted to the Director; or
 - (b) If the actual plugging differed from the approved plan, a statement defining the actual plugging and why the Director should approve such deviation. Any deviation from a previously approved plan may be cause for the Director to require the owner or operator to replug the well or pursue enforcement action.
3. Inactive Wells. After cessation of injection for two (2) years, the permittee shall plug and abandon the well in accordance with the plan unless he:
- (a) Provides notice to the Director including a demonstration that the well will be used in the future; and
 - (b) Describe actions or procedures, which are deemed satisfactory by the Director, which the permittee will take to ensure that the well will not endanger USDWs during the period of temporary abandonment. These actions and procedures may include, but are not limited to, a demonstration of mechanical integrity and shall include compliance with the technical and reporting requirements applicable to active injection wells unless waived, in writing, by the Director.

G. MECHANICAL INTEGRITY

1. Standards. The owner or operator of a Class I, II or III well permitted under this part shall establish prior to commencing injection or on a schedule determined by the Director, and thereafter maintain mechanical integrity as defined in 40 CFR § 146.8. The Director may require by written notice that the owner or operator comply with a schedule describing when mechanical integrity demonstrations shall be made.

2. Prohibition Without Demonstration. The permittee shall not commence or continue injection activity after the effective date of this permit unless the permittee has demonstrated that the well covered by this permit has mechanical integrity in accordance with 40 CFR § 146.8 and the permittee has received written notice from the Director that such demonstration is satisfactory.
3. Subsequent Mechanical Integrity Demonstrations. A demonstration of mechanical integrity in accordance with 40 CFR § 146.8 shall be made no later than five (5) years from the date of the last approved demonstration. Mechanical integrity shall also be demonstrated at any time the tubing is removed from the well, the packer is reset, or a loss of mechanical integrity becomes evident during operation. Furthermore, the Director may by written notice require the permittee to demonstrate mechanical integrity at any time. The permittee shall notify the Director of his intent to demonstrate mechanical integrity at least 30 days prior to such demonstration. The Director may allow a shorter time period if it would be sufficient to enable EPA to adequately respond. The permittee shall report the results of a mechanical integrity demonstration within 90 days after completion and in accordance with Part II, Section E, Item 11.
4. Loss of Mechanical Integrity. When the Director determines that a Class I, II, or III well lacks mechanical integrity pursuant to 40 CFR § 146.8, he shall give written notice of his determination to the owner or operator. Unless the Director requires immediate cessation, the owner or operator shall cease injection into the well within 48 hours of receipt of the Director's determination. The Director may allow plugging of the well pursuant to the requirements of 40 CFR § 146.10 or require the permittee to perform such additional construction, operation, monitoring, reporting and corrective action as is necessary to prevent the movement of fluid into or between USDWs, caused by the lack of mechanical integrity. The owner or operator may resume injection upon written notification from the Director that the owner or operator has demonstrated mechanical integrity pursuant to 40 CFR § 146.8. The Director may allow the owner or operator of a well which lacks mechanical integrity pursuant to 40 CFR § 146.8.(a)(1) to continue or resume injection, if the owner or operator has made a satisfactory demonstration that there is no movement of fluid into or between USDWs
5. Test Methods to be Used for Mechanical Integrity Test (MIT). A plan for logging and testing the well for mechanical integrity shall be prepared and submitted for the Directors approval at least 60 days prior to each proposed MIT demonstration date. The Director may allow a shorter time period if it would be sufficient to enable EPA to adequately respond.

The plan shall propose logs and tests specified in 40 CFR § 146.8 (as amended from time to time by EPA to include additional approved logs and tests, as published in the Federal Register). The plan shall also propose standards that will be used for evaluating the results of logging and testing. Mechanical integrity will be confirmed if the well logs and test data meet or exceed the standards approved as a result of the Directors review of the plan.

H. FINANCIAL RESPONSIBILITY

1. Financial Responsibility. The permittee, including the transferor of a permit, is required to demonstrate and maintain financial responsibility and resources to close, plug, and abandon the underground injection operation in a manner prescribed by the Director until:

- (a) The well has been plugged and abandoned in accordance with an approved plugging and abandonment plan pursuant to 40 CFR §§ 144.51(o) and 146.10, and submitted a plugging and abandonment report pursuant to 40 CFR § 144.51(p); or
- (b) The well has been converted in compliance with the requirements of 40 CFR § 144.51(n); or
- (c) The transferor of a permit has received notice from the Director that the owner or operator receiving transfer of the permit, the new permittee, has demonstrated financial responsibility for the well.

The permittee shall show evidence of such financial responsibility to the Director by the submission of a surety bond, or other adequate assurance, such as a financial statement or other materials acceptable to the Director. The Director may, on a periodic basis, require the holder of a lifetime permit to submit an estimate of the resources needed to plug and abandon the well revised to reflect inflation of such costs, and a revised demonstration of financial responsibility, if necessary. The owner or operator of a well injecting hazardous waste must comply with the financial responsibility requirements of subpart F of this part.

2. Insolvency. In the event of:

- (a) the bankruptcy of the trustee or issuing institution of the financial mechanism, or
- (b) suspension or revocation of the authority of the trustee institution to act as

trustee, or

- (c) the institution issuing the financial mechanism loses its authority to issue such an instrument, the permittee must notify the Director, within ten (10) business days. The owner or operator must establish other financial assurance or liability coverage acceptable to the Director, within 60 days after such an event.

An owner or operator must also notify the Director by certified mail of the commencement of voluntary or involuntary proceedings under Title 11 (Bankruptcy), U.S. Code naming the owner or operator as debtor, within ten (10) business days after commencement of the proceeding. A guarantor of a corporate guarantee must make such a notification if he is named as debtor, as required under the terms of the guarantee.

An owner or operator who fulfills the requirements of 40 CFR § 144.63 by obtaining a letter of credit, surety bond, or insurance policy will be deemed to be without the required financial assurance or liability coverage in the event of bankruptcy, insolvency, or a suspension or revocation of the license or charter of the issuing institution. The owner or operator must establish other financial assurance or liability coverage within 60 days after such an event.

I. DEFINITIONS

All terms used in this permit, not specifically defined in the permit, are defined at 40 CFR Parts 144, 145, 146 and 147.



United States Environmental Protection Agency
Washington, DC 20460

ANNUAL DISPOSAL/INJECTION WELL MONITORING REPORT

Name and Address of Existing Permittee

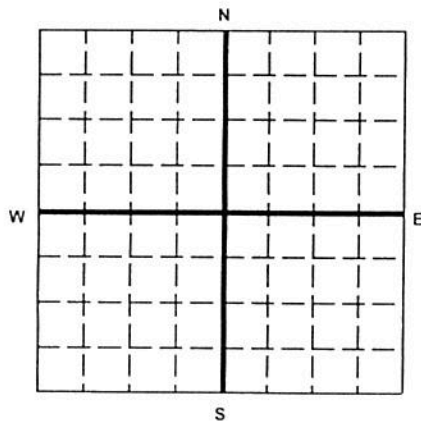
Triad Resources, Inc.
PO Box 430 Reno, OH 45773

Name and Address of Surface Owner

Charles Hill
Rte. 3 Box 28 Beattyville, KY 41311

1292152

Locate Well and Outline Unit on Section Plat - 640 Acres



State
Kentucky

County
Lee

Permit Number
KY10881

Surface Location Description

____ 1/4 of ____ 1/4 of ____ 1/4 of ____ 1/4 of Section 18 Township N Range 71

Locate well in two directions from nearest lines of quarter section and drilling unit

Surface

Location ⁵¹⁶ ft. from (N/S) N Line of quarter section
and ⁹⁵⁰ ft. from (E/W) E Line of quarter section.

WELL ACTIVITY

- ☒ Brine Disposal
☐ Enhanced Recovery
☐ Hydrocarbon Storage

TYPE OF PERMIT

- ☒ Individual
☐ Area

Number of Wells ____

Lease Name Minnie Hill

Well Number I-D

INJECTION PRESSURE

TOTAL VOLUME INJECTED

TUBING -- CASING ANNULUS PRESSURE (OPTIONAL MONITORING)

MONTH	YEAR	AVERAGE PSIG	MAXIMUM PSIG	BBL	MCF	MINIMUM PSIG	MAXIMUM PSIG
January-2009		0	0	0			
February-2009		0	0	24803			
March-2009		0	0	39531			
April-2009		0	0	38362			
May-2009		34	360	39447			
June-2009		0	0	34276			
July-2009		8	240	37912			
August-2009		0	0	40660			
September-2009		0	0	35442			
October-2009		0	0	29880			
November-2009		0	0	23671			
December-2009		0	0	29461			

Certification

I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32)

Name and Official Title (Please type or print)

Kurt Wielitzka Petroleum Engineer

Signature

Kurt Wielitzka

Date Signed

2/4/10



United States Environmental Protection Agency
Washington, DC 20460

ANNUAL DISPOSAL/INJECTION WELL MONITORING REPORT

Name and Address of Existing Permittee

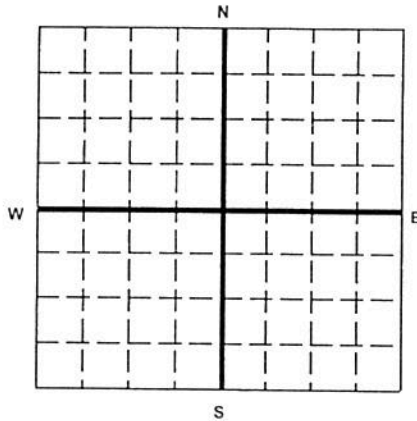
Triad Resources, Inc.
PO Box 430 Reno, OH 45773

Name and Address of Surface Owner

Charles Hill
Rte. 3 Box 28 Beattyville, KY 41311

KY 1292152

Locate Well and Outline Unit on
Section Plat - 640 Acres



State
Kentucky

County
Lee

Permit Number
KY10881

Surface Location Description

1/4 of 1/4 of 1/4 of 1/4 of Section 18 Township n Range 71

Locate well in two directions from nearest lines of quarter section and drilling unit

Surface

Location 516 ft. from (N/S) N Line of quarter section
and 950 ft. from (E/W) E Line of quarter section.

WELL ACTIVITY

TYPE OF PERMIT

☒ Brine Disposal

☒ Individual

☐ Enhanced Recovery

☐ Area

☐ Hydrocarbon Storage

Number of Wells _____

Lease Name Minnie Hill

Well Number I-D



TUBING -- CASING ANNULUS PRESSURE
(OPTIONAL MONITORING)

MONTH	YEAR	AVERAGE PSIG	MAXIMUM PSIG	BBL	MCF	MINIMUM PSIG	MAXIMUM PSIG
January-2011		0	0	36813			
February-2011		0	0	31448			
March-2011		0	0	29024			
April-2011		0	0	38059			
May-2011		0	0	36216			
June-2011		0	0	33056			
July-2011		0	0	31840			
August-2011		0	0	28903			
September-2011		0	0	29967			
October-2011		0	0	36482			
November-2011		0	0	37309			
December-2011		0	0	38036			

Certification

I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32)

Name and Official Title (Please type or print)

Kurt Wielitzka Petroleum Engineer

Signature

Kurt Wielitzka

Date Signed

2/27/12



United States Environmental Protection Agency
Washington, DC 20460

ANNUAL DISPOSAL/INJECTION WELL MONITORING REPORT

Name and Address of Existing Permittee

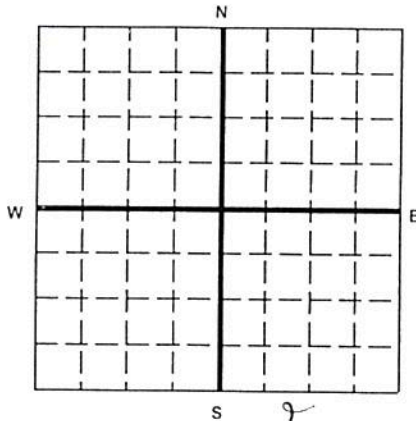
Triad Resources, Inc.
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State
Kentucky

County
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Locate well in two directions from nearest lines of quarter section and drilling unit

Surface

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and 950 ft. from (E/W) E Line of quarter section.

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- ☒ Brine Disposal
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☐ Hydrocarbon Storage

TYPE OF PERMIT

- ☒ Individual
☐ Area
Number of Wells

Lease Name Minnie Hill

Well Number I-D

INJECTION PRESSURE

TOTAL VOLUME INJECTED

TUBING -- CASING ANNULUS PRESSURE
(OPTIONAL MONITORING)

MONTH	YEAR	AVERAGE PSIG	MAXIMUM PSIG	BBL	MCF	MINIMUM PSIG	MAXIMUM PSIG
January-2012		0	0	36986			
February-2012		0	0	36288			
March-2012		0	0	36029			
April-2012		0	0	36534			
May-2012		0	0	33844			
June-2012		0	0	39444			
July-2012		0	0	36833			
August-2012		0	0	35231			
September-2012		0	0	30811			
October-2012		0	0	34025			
November-2012		0	0	28576			
December-2012		0	0	31649			

Certification

I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32)

Name and Official Title (Please type or print)

Kurt Wielitzka Petroleum Engineer

Signature

Kurt Wielitzka

Date Signed

3/25/13



U.S. EPA REGION 4
GWD WB

2015 JUN 22 A 10: 06

June 19, 2015

U.S. EPA – Region 4
Sam Nunn Atlanta Federal Center
61 Forsyth Street, SW
Atlanta, GA 30303-8960

KYI0881
KYS1292152

James Ferreira,

GreenHunter Water, LLC intends to convert the Minnie Hill #1-D Disposal Well, in Lee County, Kentucky, ID #KYS1292152, to a commercial injection well. The well is only taking water from one field and one formation at this time; I have input the requested information below and attached the current list of wells. When the time arises for the company to start taking water from other sources, a sample will be taken and sent to you along with the necessary accompanying well data.

- Company: Triad Hunter, LLC
- Producing Formation: Coniferous
- Field: Primrose
- County: Lee
- State: Kentucky
- Samples: Attached

Regards,

Bryn Mueller, Engineering Technician
1048 Texan Trail
Grapevine, TX 76051
(469)444-9816
bmueller@greenhunterwater.com

U.S. EPA REGION 4
GWD WB

2013 JUN 22 A 10: 06

Lease Name	Well Number
Alice Lutes	1,2,3a,4
Chris Lutes	1a,3,4,5,7,8
Chris Lutes	12a
Enos Lutes	10a
Enos Lutes	14a
Enos Lutes	2,3,6,7,8,9,11,12,13
Enos Lutes	15a
Myrl Cundiff	1,2,3
James Morgan	1,2,5,6,7
James Morgan	3a,9a
Hobert Stamper	2,3,4,5
Albert Little	1,2
Joe Lucas	1,2,3,4,5,6,7,8,14,19,25
Ted Cundiff	1,2,8,9,10,13,14
Ted Cundiff 2005	3,4,5,6,7
Ted Cundiff 2006	11,12,15,16,17,18,19,20,21
James Whisman	1a,4a,5a,6a,8a
Gerald Hobbs	3a
Gerald Hobbs	4,5
Carol Hobbs	2
Myrl Cundiff	4a
Lonzo Lawson	1
Cundiff/Hines	2
Cundiff/Hines	11a
Tom Lutes	1
Tom Lutes 2005	2,3
Tom Lutes 2007	4,5,6
Frank Abner	1,2,3,4,5,6,7,8
Kate Marshall	1,2
David P Abner	a1
Harold Bailey	b1
Ted Cundiff 2007	tc1,2,3,4,5,6,7,8
Lucy Cundiff	c1,2,3,5,6,9,10,10a,12
Lucy Cundiff 2007	c7,8,13,14,15,16,17,18,19,20,21
Virgil Marshall	m1
Virgil Marshall 2007	m6
Sam Seale	s2,s3
Bert Combs Heirs	1



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Pikeville, KY
606.432.3104

Louisville, KY
502.961.0001

Paducah, KY
270.444.6547

2015 JUN 22 A 10:06

"Providing Tomorrow's Analytical Capabilities Today"

Certificate of Analysis 5021493

Kurt Wielitzka
Triad Hunter LLC
PO Box 430
Reno OH, 45773

Customer ID: TR7950
Report Printed: 02/11/2015 14:40

Project Name: Annual

Workorder: 5021493

Dear Kurt Wielitzka

Enclosed are the analytical results for samples received at one of our laboratories on 02/03/2015 10:55.

McCoy & McCoy Laboratories, Inc. and Environmental Certification Labs are commercial laboratories accredited by various state and national authorities, including Indiana, Kentucky, Tennessee, and Virginia's National Environmental Laboratory Accreditation Program (NELAP). With the NELAP accreditation, applicable test results are certified to meet the requirements of the National Environmental Laboratory Accreditation Program.

If you have any questions concerning this report please contact the individual listed below.

Please visit our websites at www.mccoylabs.com or www.eclabs.org for a listing of the NELAP accreditations and Scope of Work, as well as, links to other scientific organizations.

This certificate of analysis may not be reproduced without the written consent of McCoy & McCoy



#460210
Madisonville

Doug Wolfe

This page is included as part of the Analytical Report and must be retained as a permanent record thereof.

Doug Wolfe For Bonney Hewlett, Admin



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2015 JUN 22 A 10:06 "Providing Tomorrow's Analytical Capabilities Today"

SAMPLE SUMMARY

Lab ID	Client Sample ID/Alias	Matrix	Date Collected	Date Received	Sampled By
5021493-01	Injection Well/John Roe #24	Wastewater	02/02/2015 14:15	02/03/2015 10:55	Jeff Riley
5021493-02	Injection Well/John Roe #25	Wastewater	02/02/2015 14:45	02/03/2015 10:55	Jeff Riley
5021493-03	Injection Well/John Roe #26	Wastewater	02/02/2015 14:35	02/03/2015 10:55	Jeff Riley
5021493-04	Injection Well/John Roe #27	Wastewater	02/02/2015 14:22	02/03/2015 10:55	Jeff Riley
5021493-05	Injection Well/Bill Abner #31	Wastewater	02/02/2015 14:10	02/03/2015 10:55	Jeff Riley
5021493-06	Injection Well/Richard Browning #1	Wastewater	02/02/2015 13:00	02/03/2015 10:55	Jeff Riley
5021493-07	Injection Well/Richard Browning #2	Wastewater	02/02/2015 13:00	02/03/2015 10:55	Jeff Riley
5021493-08	Injection Well/Lucy Cundiff #4	Wastewater	02/02/2015 12:46	02/03/2015 10:55	Jeff Riley
5021493-09	Injection Well/James Morgan #10	Wastewater	02/02/2015 12:30	02/03/2015 10:55	Jeff Riley
5021493-10	Injection Well/Minnie Hill Disposal #1	Wastewater	02/02/2015 12:16	02/03/2015 10:55	Jeff Riley



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2015 JUN 22 A 10:05

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ANALYTICAL RESULTS

Lab Sample ID: 5021493-09

Description: Injection Well James Morgan #10

Sample Collection Date Time: 02/02/2015 12:30

Sample Received Date Time: 02/03/2015 10:55

Conventional Chemistry Analyses Madisonville

Analyte	Result	Flag	Units	MRL	MDL	Method	Prepared	Analyzed	Analyst
Chloride	86400	D1	mg/L	1000	700	EPA 300.0 REV 2.1	02/11/2015 02:04	02/11/2015 02:04	CJO
Specific Gravity	1.12		g/mL			SM2710F	02/05/2015 14:20	02/05/2015 16:27	TAC
Total Dissolved Solids	205000		mg/L	10	10	2540 C-1997	02/05/2015 10:18	02/05/2015 10:18	JTL

ANALYTICAL RESULTS

Lab Sample ID: 5021493-10

Description: Injection Well Minnie Hill Disposal #1

Sample Collection Date Time: 02/02/2015 12:16

Sample Received Date Time: 02/03/2015 10:55

Conventional Chemistry Analyses Madisonville

Analyte	Result	Flag	Units	MRL	MDL	Method	Prepared	Analyzed	Analyst
Chloride	71400	D1	mg/L	1000	700	EPA 300.0 REV 2.1	02/11/2015 02:25	02/11/2015 02:25	CJO
Specific Gravity	1.13		g/mL			SM2710F	02/05/2015 14:20	02/05/2015 16:27	TAC
Total Dissolved Solids	210000		mg/L	10	10	2540 C-1997	02/05/2015 11:50	02/05/2015 11:50	JTL



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JUN 22 A 10: 06

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Notes for work order 5021493

- Samples collected by MMLI personnel are done so in accordance with procedures set forth in MMLI field services SOPs.
- All Waste Water analyses comply with methodology requirements of 40 CFR Part 136.
- All Drinking Water analyses comply with methodology requirements of 40 CFR Part 141.
- Unless otherwise noted, all quantitative results for soils are reported on a dry weight basis.
- The Chain of Custody document is included as part of this report.
- All Library Search analytes should be regarded as tentative identification based on the presumptive evidence of the mass spectra.

- U Target analyte was analyzed for, but was below detection limit (the value associated with the qualifier is the laboratory method detection limit in our LIMS system).
- M2 Matrix spike recovery was low; the method control sample recovery was acceptable.
- D1 Sample required dilution due to high concentration of target analyte

Standard Qualifiers/Acronyms

MDL	Method Detection Limit
MRL	Minimum Reporting Limit
ND	Not Detected
LCS	Laboratory Control Sample
MS	Matrix Spike
MSD	Matrix Spike Duplicate
DUP	Sample Duplicate
% Rec	Percent Recovery
RPD	Relative Percent Difference
>	Greater than
<	Less than

Certified Analyses Included in this Report

Analyte	Certifications
---------	----------------

2540 C-1997 in Water

Total Dissolved Solids

KY Drinking Water Madisonville (00030) VA NELAC (460210) KY Wastewater Madisonville (00030)

EPA 300.0 REV 2.1 in Water

Chloride

KY Drinking Water Madisonville (00030) VA NELAC (460210) KY Wastewater Madisonville (00030)



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GWD WB

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2015 JUN 22 A 10:06

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Sample Acceptance Checklist for Work Order 5021493

Shipped By: Client

Temperature: 19.60° Celcius

Condition

Custody seals present/intact?	<input type="checkbox"/>
Were any containers received damaged?	<input type="checkbox"/>
COC submitted and complete?	<input checked="" type="checkbox"/>
COC agree with sample labels?	<input checked="" type="checkbox"/>
All containers listed on COC received?	<input checked="" type="checkbox"/>
Were all samples in appropriate containers?	<input checked="" type="checkbox"/>
Did all samples have appropriate volumes?	<input checked="" type="checkbox"/>
Were collection methods recorded on COC?	<input type="checkbox"/>
Were flow units recorded on COC?	<input type="checkbox"/>
Any headspace issues with volatile samples?	<input type="checkbox"/>
Were all holding times acceptable?	<input checked="" type="checkbox"/>
Were preserved samples within acceptable pH range?	<input type="checkbox"/>
Were preserved samples within acceptable Cl2 range	<input type="checkbox"/>

McCoy & McCoy Laboratories, Inc.
P.O. Box 907
Madisonville, KY 42431
www.mccoylabs.com

U.S. EPA REGION 4
GWD WB

Chain of Custody

Scheduled for: 02/03/2015



Client: Triad Hunter LLC

Report To:
Triad Hunter LLC

Invoice To:
Triad Hunter LLC

Project: Annual

Kurt Wielitzka
PO Box 430
Reno, OH 45773

Accounts Payable
1046 Texan Trail
Grapevine, TX 76051

Phone: (740) 374-2940

PWS ID#:

PO#:

State:

Quote#

Please Print Legibly

Collected by (Signature):

Jeff Riley

required information

Compliance Monitoring? Yes ___ No ___

*For composite samples please indicate begin time, end time and temp (oC) at end time below:

Samples Chlorinated? Yes ___ No ___

Influent: Start Date _____ Start time _____ End Date _____ End Time _____ Temp (oC) _____

Effluent: Start Date _____ Start time _____ End Date _____ End Time _____ Temp (oC) _____

MMLI USE ONLY

required information

Workorder #

Date Collection

5021493

(mm/dd/yy): Time (24 hr):

Bottle and Preservative

Containers

Sample ID#

5021493-01 A

Plastic 1L

1

Sample Description

Composite

Sample Analysis Requested

Injection Well

g / c

Chloride 300.0 Specific Gravity TDS

John Roe #24 2:15PM 2-2-15

Lucy Lindiff #4 12:46 2-2-15

John Roe #25 2:45PM 2-2-15

James Morgan #10 12:30 2-2-15

John Roe #26 2:35PM 2-2-15

Mannic Hill Disposal #1 12:16 2-2-15

John Roe #27 2:22PM 2-2-15

Bill Abner #31 2:10PM 2-2-15

Richard Browning #1 1:00 pm 2-2-15

Richard Browning #2 1:00pm 2-2-15

Preservation Check Performed by:

19.6°C HLS

Field data collected by:

Date (mm/dd/yy)

Time (24 hr)

pH

Cond (umho)

Res Cl (mg/L)

Tot Cl (mg/L)

Free Cl (mg/L)

Temp (oC)

or

(oF)

Static Water Level

DO (mg/L)

Turb. (NTU)

Flow (MGD)

or

(CFS)

or

(g/min)

Relinquished by: (Signature)

Received by: (Signature)

Date (mm/dd/yy)

Time (24 hr)

Jeff Riley

Ana P. Lugin

2-3-15

10:55



MMLI - Check here if trip charge applied to associated COC

Printed: 2/3/2015 10:47:09AM

Page 8 of 8



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4

ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

MAY 22 2015

CERTIFIED MAIL 70081830000024885127
RETURN RECEIPT REQUESTED

Mr. James W. Denny III
Registered Agent, Hunter Disposal
38505 Marietta Road
Dexter City, Ohio 45727

Re: Notice of Violation of the Safe Drinking Water Act and Notice of Opportunity to Show Cause

Dear Mr. Denny:

The U. S. Environmental Protection Agency, Region 4 has performed field inspections and conducted a file review of the Underground Injection Control (UIC) Program records for the injection well, listed below, which you own or operate. This well constitutes a "facility" as that term is defined in 40 C.F.R. § 144.3 and is subject to the requirements of the Safe Drinking Water Act (SDWA) and the UIC regulations. Based on the information in the program records and the field inspections, the EPA has found that you are in violation of the SDWA 42 U.S.C. § 300f, et seq. and UIC regulations as set forth below.

The SDWA 42 U.S.C. § 300f, et seq. and 40 C.F.R. § 144.51(a) require the permittee, of a permitted UIC well, to comply with all conditions of the permit. Part II, Section G, Paragraph 3, of your permit, requires that a demonstration of mechanical integrity in accordance with 40 C.F.R. § 146.8 be made no later than 5 years from the last approved demonstration. The information contained in the EPA's records, indicates that you are in violation of 40 C.F.R. § 146.8, the UIC permit and the SDWA for failure to timely demonstrate the mechanical integrity of the active permitted well as shown below.

<u>Permit No.</u>	<u>EPA ID No.</u>	<u>Well</u>	<u>Status</u>	<u>Last MIT</u>	<u>MIT Due</u>	<u>County</u>
KYI0881	KYS1292152	Minnie Hill 1D	Active	2/11/2009	2/11/2014	Lee

Part I, Section C, Paragraph 2, of your permit, requires the permittee to weekly monitor the injection and annulus pressures at the wellhead, the flow rate and to monthly monitor the cumulative volume of the injected fluid. Part I, Section D, Paragraph 2, contains the requirement to submit the results of all monitoring to the EPA by January 30 of the subsequent year. The information contained in the EPA's records, indicates you are in violation of 40 C.F.R. § 144.51(a), the UIC permit and the SDWA for failure to submit annual monitoring reports as shown below.

<u>Permit No.</u>	<u>EPA ID No.</u>	<u>Well</u>	<u>Status</u>	<u>Last Monitoring Report</u>
KYI0881	KYS1292152	Minnie Hill 1D	Active	Year 2012

Part I, Section C, Paragraph 3, of your permit, requires the permittee to conduct injection fluid analyses at least once every 12 months and whenever changes are made to the injection fluid. Part I, Section D, Paragraph 2, requires the results of these injection fluid analyses to be submitted annually to the EPA. The information contained in the EPA's records, indicates you are in violation of 40 C.F.R. § 144.51(a), the UIC permit and the SDWA for failure to submit results of injection fluid analyses as shown below.

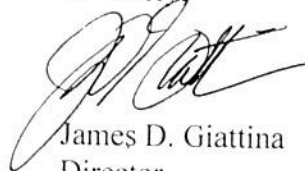
<u>Permit No.</u>	<u>EPA ID No.</u>	<u>Well</u>	<u>Status</u>	<u>Date of Last Fluid Analysis</u>
KYI0881	KYS1292152	Minnie Hill 1D	Active	3/10/10

These violations may subject you to enforcement action pursuant to Section 1423 of the SDWA 42 U.S.C. § 300h-2 et seq. This section provides for the issuance of administrative penalty and compliance orders and/or the initiation of civil and/or criminal actions. Therefore, within 7 days of your receipt of this Notice of Violation, you or your representative must contact this office to arrange a meeting to show cause why the EPA should not initiate legal proceedings. In lieu of appearing in the EPA's offices for this meeting, a telephone conference may be scheduled. You or your representative should be prepared to provide all relevant information with documentation pertaining to the above violations. The EPA's legal counsel may be present at this meeting. You also have the right to have your legal counsel present.

To arrange this meeting or to arrange for a telephone conference, please contact Mr. Tony Shelton, UIC Enforcement, at (404) 562-9636. If you fail to attend the scheduled meeting/telephone conference or to contact Mr. Shelton prior to the meeting/conference date, the EPA may issue an administrative complaint against you without further notice.

Enclosed is a document entitled *U.S. EPA Small Business Resources-Information Sheet* for your use and to assist you in understanding the compliance assistance resources and tools available to you. However, any decision to seek compliance assistance at this time does not relieve you of your obligation to the EPA, does not create any new rights or defenses and will not affect the EPA's decision to pursue enforcement action. In addition, the Securities and Exchange Commission (SEC) requires its registrants to periodically disclose environmental legal proceedings in statements filed with the SEC. To assist you, the EPA has also enclosed a document entitled *Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings*.

Sincerely,



James D. Giattina
Director

Water Protection Division

Enclosures

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4

IN THE MATTER OF

Hunter Disposal, LLC
1048 Texan Trail
Grapevine, Texas 76051

Respondent

Consent Agreement and Final Order

Docket No. SDWA-04-2015-1007(b)

I. STATUTORY AUTHORITY

1. This is a civil proceeding pursuant to Section 1423 of the Safe Drinking Water Act (SDWA), 42 U.S.C. § 300h-2 and the *Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits* specifically Subpart I, published at 64 Fed. Reg. 40138 (July 23, 1999), codified at 40 Code of Federal Regulations (C.F.R.) Part 22 (Part 22). The authority to take action under Section 1423 of the Safe Drinking Water Act (SDWA), is delegated to the Administrator of the U.S. Environmental Protection Agency (EPA). The Administrator has delegated this authority to the Regional Administrator, Region 4, who in turn has delegated this authority to the Director of the Water Protection Division, of the EPA Region 4 (Complainant).

2. Section 1450(a)(1) of the SDWA, 42 U.S.C. § 300j-9(a)(1), authorizes the Administrator to prescribe such regulations as are necessary or appropriate to carry out her functions under the SDWA. These regulations are found at 40 C.F.R. Parts 124, 144, 146, 147, and 148, and set forth requirements for the Underground Injection Control (UIC) program promulgated under Part C of the SDWA, 42 U.S.C. § 300h, et seq.

3. Injection well owners and operators are required to comply with the UIC program requirements. The UIC program for the Commonwealth of Kentucky, including all Indian lands, is administered by the EPA. See 40 C.F.R. § 147.901(a).

II. ALLEGATIONS

4. Respondent is a limited liability company organized under the laws of Delaware and doing business in the Commonwealth of Kentucky, with a business address of 1048 Texan Trail, Grapevine, Texas 76051.

5. Respondent is the owner and/or operator of the Class II UIC well that is subject to this Order (Subject Well), listed below.

<u>EPA ID No.</u>	<u>UIC Permit No.</u>	<u>Well Name</u>	<u>County</u>	<u>Status</u>
KYS1292152	KYI0881	Minnie Hill #1D	Lee	Active

6. The Subject Well is a "facility" as that term is defined in 40 C.F.R. § 144.3.

7. On October 22, 2008, the EPA issued to Triad Resources, Inc. the UIC Permit No. KYI0881. On December 14, 2011, the UIC Permit No. KYI0881 was modified to reflect the transfer to Respondent.

8. The Subject Well is permitted in accordance with 40 C.F.R. § 144.31 and is subject to the requirements of the SDWA and the UIC regulations.

9. The SDWA 42 U.S.C. § 300f, et seq. and 40 C.F.R. § 144.51(a) require the permittee of a permitted UIC well to comply with all conditions of their permit.

10. Part II, Section G, Paragraph 3, of the UIC Permit No. KYI0881 requires that a demonstration of mechanical integrity in accordance with 40 C.F.R. § 146.8 be made no later than 5 years from the last approved demonstration.

11. A Mechanical Integrity Test (MIT) to demonstrate the mechanical integrity of the following active permitted Subject Well is overdue, as shown below.

<u>EPA ID No.</u>	<u>UIC Permit No.</u>	<u>Well Name</u>	<u>MIT Due</u>	<u>MIT Done</u>
KYS1292152	KYI0881	Minnie Hill #1D	2/11/2014	Not yet

12. Therefore, Respondent is in violation of the SDWA, 42 U.S.C. § 300f, et seq. 40 C.F.R. §§ 146.8 and 144.51(a), and the UIC Permit No. KYI0881 for failure to timely demonstrate the mechanical integrity of the active permitted Subject Well, as shown above.

13. Part I, Section C, Paragraph 3, of the UIC Permit No. KYI0881, requires the permittee to conduct an injection fluid analysis in accordance with 40 C.F.R. § 146.23(b)(1) at least once every 12 months and whenever changes are made to the injection fluid. Part I, Section D, Paragraph 2, of the UIC Permit No. KYI0881 requires the permittee to submit the results of injection fluid analyses to the EPA annually in accordance with 40 C.F.R. § 146.23(c).

14. Based on the EPA's records, annual injection fluid analysis results for the following active permitted Subject Well were not timely submitted, as shown below.

<u>EPA ID No.</u>	<u>UIC Permit No.</u>	<u>Well Name</u>	<u>Last Fluid Analysis Report</u>
KYS1292152	KYI0881	Minnie Hill #1D	3/10/2010

15. Therefore, Respondent is in violation of the SDWA, 42 U.S.C. § 300f, et seq., 40 C.F.R. §§ 146.23(b)(1), 146.23(c) and 144.51(a), and the UIC Permit No. KYI0881 for failure to timely submit to the EPA annual fluid analysis results, as shown above.

16. Part I, Section C, Paragraph 2, of the UIC Permit No. KYI0881 and §146.23(b)(2), requires the permittee to weekly monitor the injection and annulus pressures at the wellhead, to weekly monitor the flow rate and to monthly monitor the cumulative volume of the injected fluid. Part I, Section D, Paragraph 2, of the UIC Permit No. KYI0881, contains the requirement to submit the results of all

monitoring to the EPA annually in accordance with 40 C.F.R. § 146.23(c) by January 30 of the subsequent year.

17. Monitoring results for the following Subject Well were not timely submitted, as shown below.

<u>EPA ID No.</u>	<u>UIC Permit No.</u>	<u>Well Name</u>	<u>Last Monitoring Report</u>
KYS1292152	KYI0881	Minnie Hill #1D	Year 2012

18. Therefore, Respondent is in violation of the SDWA, 42 U.S.C. § 300f, et seq., 40 C.F.R. §§146.23(b)(2), 146.23(c) and 144.51(a), and the UIC Permit No. KYI0881 for failure to timely submit annual monitoring reports to the EPA for the active permitted Subject Well, as shown above.

III. STIPULATIONS AND FINDINGS

19. On June 11, 2015, Respondent participated in a show cause hearing with representatives of the EPA to discuss these alleged violations of the SDWA and the implementing regulations.

20. Respondent admits the jurisdictional allegations and facts and findings of violations as alleged herein. Respondent waives any right to a hearing and waives any right to appeal a final order in this matter, and consents to the assessment of the civil penalty set forth herein and to the issuance of this Consent Agreement and Final Order (CA/FO) without further adjudication.

21. Complainant and Respondent have conferred for the purpose of settlement, pursuant to 40 C.F.R. § 22.18 and desire to resolve this matter and settle the violations described herein without resorting to a formal hearing. Therefore, without the taking of any evidence or testimony, the making of an argument or the adjudication of any issue in this matter and in accordance with 40 C.F.R. § 22.13(b), this CA/FO will simultaneously commence and conclude this matter.

IV. PENALTY AND INJUNCTIVE RELIEF

Based upon the foregoing findings, the parties hereby agree and consent to entry of the following:

22. Respondent shall pay a civil penalty of **\$31,000 (thirty one thousand dollars)** in accordance with the terms set forth below.

23. Within 60 days of receipt of a fully-executed copy of this CA/FO, Respondent shall submit a cashier's or certified check in the amount of **\$31,000 (thirty one thousand dollars)**. The penalty payment as set forth shall be made payable to the Treasurer, United States of America at the following address:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, MO 63197-9000

Respondent shall note the title and docket number of the case on the penalty payment certified or cashier's check.

24. Respondent shall submit copies of the check to the following persons:

Regional Hearing Clerk
U.S. EPA - Region 4
61 Forsyth Street SW
Atlanta, GA 30303-8960

Fred McManus, Chief
Ground Water and UIC Section
Grants and Drinking Water Protection Branch
U. S. EPA - Region 4
61 Forsyth Street SW
Atlanta, GA 30303-8960

25. Pursuant to Section 1423(2)(c)(7) of the SDWA, 42 U.S.C. § 300h-2(c)(7), failure by Respondent to pay the penalty assessed by this CA/FO in full by its due date may subject Respondent to a civil action in an appropriate district court to recover the amount assessed (plus costs, attorneys fees, and interest at currently prevailing rates from the date the order is effective). In such an action, the validity, amount and appropriateness of the penalty shall not be subject to review. Additionally, pursuant to 40 C.F.R. Part 13 and 31 U.S.C. § 3717 et seq., if the EPA does not receive payment of the penalty assessed by this CA/FO in full by its due date, interest shall accrue on the unpaid balance from the due date through date of payment at an annual rate equal to the rate of the current value of funds to the United States Treasury as prescribed and published by the Secretary of the Treasury. If all or part of the payment is overdue, the EPA shall assess an administrative fee of \$15 for each subsequent 30 day period. The EPA shall assess, on a monthly basis, a 6% per annum penalty on any principal amount not paid within 90 days of the due date.

26. The names, addresses and telephone numbers of the individuals authorized to receive service relating to the proceeding are listed below.

For Respondent: Robert Sloan
Hunter Disposal, LLC
1048 Texan Trail
Grapevine, Texas 76051
469-444-1291

For the EPA: Wilda Cobb, Associate Regional Counsel
U.S. EPA - Region 4
61 Forsyth Street SW
Atlanta, GA 30303-8960
404-562-9530

27. In addition to payment of the penalty described above, Respondent shall perform the following injunctive relief:

- a. Within 90 days of receipt of this CA/FO, Respondent is ordered to provide current fluid analysis reports to the EPA, for the following Subject Well.

<u>EPA ID No.</u>	<u>UIC Permit No.</u>	<u>Well Name</u>
KYS1292152	KYI0881	Minnie Hill #1D

- b. Within 90 days of receipt of this CA/FO, Respondent is ordered to successfully demonstrate the mechanical integrity or close, plug, and abandon the following Subject Well listed below. Mechanical integrity testing or plugging and abandonment must be witnessed by an EPA-authorized inspector.

<u>EPA ID No.</u>	<u>UIC Permit No.</u>	<u>Well Name</u>
KYS1292152	KYI0881	Minnie Hill #1D

- c. Within 90 days of receipt of this CA/FO, Respondent shall provide monitoring reports for the following Subject Well listed below, for the period from Year 2013 through Year 2014.

<u>EPA ID No.</u>	<u>UIC Permit No.</u>	<u>Well Name</u>
KYS1292152	KYI0881	Minnie Hill #1D

28. For failure to comply with the condition described in Paragraph 27 above, Respondent shall pay a stipulated civil penalty according to the following schedule:

- a. \$300 a day for the first 7 calendar days Respondent is in violation of Paragraph 27 of this Agreement; and
- b. \$200 per day for each day after the first 7 calendar days Respondent is in violation of Paragraph 27 of this Agreement.

29. Stipulated penalties shall become due and payable no later than 30 days after receipt of demand from the EPA. Payment shall be in the form of a certified or cashier's check made payable to the Treasurer of the United States of America and sent to the following address:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, MO 63197-9000

30. A copy of the check shall be sent to:

Fred McManus, Chief
Ground Water and UIC Section,
Grants and Drinking Water Protection Branch,
U.S. EPA - Region 4,
61 Forsyth Street SW
Atlanta, GA 30303-8960

Respondent shall state the docket number of this Order on the face of any such check. The stipulated civil penalties set forth above shall be in addition to any other remedies or sanctions which are or may be available to the EPA.

V. GENERAL PROVISIONS

31. The provisions of this CA/FO shall be binding upon Respondent and its officers, directors, agents, servants, employees and successors or assigns. Notice of this CA/FO shall be given to any successors in interest prior to transfer of the ownership or operational control of the facility.

32. This CA/FO does not constitute a waiver, suspension or modification of the requirements of Part C of the SDWA, 42 U.S.C. § 300h, et seq. or any regulations promulgated there under. This CA/FO is not and shall not be interpreted to be, a permit for the injection of fluids under Section 1421 of the SDWA, 42 U.S.C. § 300h, nor shall it in any way relieve Respondent of any obligation imposed by any permit issued there under, or of Respondent's obligation to comply with any provision of the SDWA, its implementing regulations, or any other local, state or federal law. Payment of the penalty agreed to in this CA/FO shall not in any way affect the right of the Agency or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any other violations of law. Full payment of the penalty and performance of the injunctive relief agreed to in this CA/FO resolves only Respondents liability for federal civil penalties for the violations and facts stipulated herein.

33. If any event beyond the control of Respondent, its successors or assigns, occurs which causes or may cause a delay in the achievement of any requirement of this CA/FO, Respondent shall notify the EPA orally within 4 days of the time it has knowledge of the occurrence of such event. A written report of said event shall be submitted by certified mail to the EPA within 10 days of the date Respondent received knowledge of the event. Said report shall describe the violation or failure, its cause and all attendant circumstances, and the measures taken or to be taken to prevent or minimize any such violation or failure and to comply with the pertinent requirements of this CA/FO as soon as possible, and the timetable by which those measures are proposed to be implemented.

34. The burden of proving that any violation or failure is caused by circumstances beyond the control of and without fault of Respondent and the length of the delay attributable to such circumstances shall rest with Respondent. Financial, economic, or business conditions or changes in same, unanticipated or increased costs or expenses, or problems relating to reasonably foreseeable technological infeasibility associated with the implementation of actions called for by this CA/FO, shall not relieve Respondent of any obligation imposed under the terms of this CA/FO, nor from payment of any penalty set forth in this CA/FO. The EPA will notify Respondent of its determination that certain

circumstances are considered to be beyond Respondent's control and the extension of time, if any, for completion of the affected requirements. Respondent shall waive this right to any extension for failure to provide the EPA with written notice as provided herein or for failure to provide adequate proof for the cause of the delay.

35. For the purposes of state and federal income taxation, Respondent shall not be entitled to and agrees not to attempt to claim a deduction for any penalty payment made pursuant to this CA/FO. Any attempt to deduct any such penalty shall constitute a violation of this CA/FO.

36. The parties acknowledge and agree that final approval by the EPA of this CA/FO is subject to 40 C.F.R. § 22.45(c)(4) which sets forth requirements under which a person not a party to this proceeding may petition to set aside a consent agreement and final order on the basis that material evidence was not considered.

37. Each party shall bear its own costs and attorney fees in connection with this action.

38. This CA/FO shall become effective upon the date that it is filed with the Regional Hearing Clerk.

39. The undersigned representative of Respondent certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Agreement and to execute and legally bind the Party he or she represents to this Agreement.

RESPONDENT

Date 7/16/15



Robert Sloan

COMPLAINANT

Date 9/3/15



James D. Giattina, Director
Water Protection Division

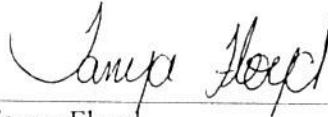
FINAL ORDER

Pursuant to the Consolidated Rules of Practice and the delegated authority of the Administrator under the SDWA, the above and foregoing Consent Agreement is hereby approved and incorporated by reference into this Final Order. Respondent is ordered to comply immediately with the terms of the Consent Agreement, which are fully incorporated into this Final Order.

U.S. ENVIRONMENTAL PROTECTION AGENCY

Date:

September 4, 2015



Tanya Floyd
Regional Judicial Officer

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served a true and correct copy of the foregoing Consent Agreement and Final Order, in the Matter of Hunter Disposal, LLC.;
Docket No. SDWA-04-2015-1007(b), on the parties listed below in the manner indicated:

Tony Shelton

Via EPA Internal Mail

Wilda Cobb

Via EPA Internal Mail

Robert Sloan
Hunter Disposal, LLC
1048 Texan Trail
Grapevine, Texas 76051

Via Certified Mail/ Return Receipt Requested

Date: _____

9-8-15



Patricia A. Bullock, Regional Hearing Clerk
United States EPA - Region 4
Atlanta Federal Center
61 Forsyth Street SW
Atlanta, GA 30303-8960
(404) 562-9511



COMMONWEALTH OF KENTUCKY
DEPARTMENT OF MINES AND MINERALS
OIL AND GAS DIVISION
P.O. BOX 690
LEXINGTON, KENTUCKY 40586

WELL LOG AND COMPLETION REPORT

TO BE FILED IMMEDIATELY AFTER COMPLETION OF WELL
NOTICE: IT IS NECESSARY TO SUBMIT A RECORD FOR EACH PERMIT.

WELL IDENTIFICATION Permit No. <u>53520</u> Operator <u>Rexplore, Inc.</u> Farm Name <u>Minnie Hill</u> Well No. <u>#1</u>		TYPE OF COMPLETION (check one) Dry Hole <input type="checkbox"/> Shut-in or Producing? Oil <input checked="" type="checkbox"/> Gas <input type="checkbox"/> Pressure Maintenance or Secondary Recovery: Water Injection <input type="checkbox"/> Gas Injection <input type="checkbox"/> Gas Storage <input type="checkbox"/> Injection-Extraction <input type="checkbox"/> Observation <input type="checkbox"/>																																														
TYPE OPERATION (check one) Re-Open <input type="checkbox"/> New Well <input checked="" type="checkbox"/> Workover <input type="checkbox"/> Deepening <input type="checkbox"/>	LOCATION County <u>Lee</u> Carter Coordinates <u>18</u> <u>N</u> <u>71</u> (section) (letter) (number) Footage from Section Lines: <u>QUAD</u> <u>1580'</u> from N line <u>170'</u> from E line (D.F.) (K.B.)																																															
ELEVATION <u>863.1'</u> (ground)		INITIAL PRODUCTION Natural <u>1 bopd</u> Date <u>1/11/83</u> After Treatment _____ Date _____																																														
TOTAL DEPTH Driller's Log <u>1275'</u> Geophysical Log <u>1286'</u>		COMPLETION INTERVAL Formation Name(s) Interval(s) <u>lime</u> <u>165-500'</u> <u>lime</u> <u>500-525'</u>																																														
OPERATIONAL DATES Date Commenced <u>12/22/82</u> Date Drilling Completed <u>1/11/83</u> Date Plugged (if dry hole) _____ Date Placed in Operation (if producing, injection, etc.) <u>not in production</u>		WELL TREATMENT <u>1236'</u> Shot <u>60</u> qts. <u>1281.8'</u> Interval <input type="checkbox"/> In Open Hole <input type="checkbox"/> Thru Perforation <input type="checkbox"/> Shot _____ qts. _____ Interval <input type="checkbox"/> In Open Hole <input type="checkbox"/> Thru Perforation <input type="checkbox"/> Acid _____ gals. _____ Interval <input type="checkbox"/> In Open Hole <input type="checkbox"/> Thru Perforation <input type="checkbox"/> Acid _____ gals. _____ Interval <input type="checkbox"/> In Open Hole <input type="checkbox"/> Thru Perforation <input type="checkbox"/> Fracture _____ gals. _____ Interval <input type="checkbox"/> In Open Hole <input type="checkbox"/> Thru Perforation <input type="checkbox"/> _____ lbs/sand _____ Interval <input type="checkbox"/> In Open Hole <input type="checkbox"/> Thru Perforation <input type="checkbox"/> Fracture _____ gals. _____ Interval <input type="checkbox"/> In Open Hole <input type="checkbox"/> Thru Perforation <input type="checkbox"/> _____ lbs/sand _____ Interval <input type="checkbox"/> In Open Hole <input type="checkbox"/> Thru Perforation <input type="checkbox"/>																																														
DRILLING METHOD Cable _____ Rotary _____ Tools from _____ to _____ air _____ from <u>0</u> to <u>1275'</u> (Depths) (Depths)		TYPE(S) OF GEOPHYSICAL LOGS RUN: (Electrical, Induction, sonic, gamma ray, neutron, density, etc.) <u>gamma ray</u> <u>density</u>																																														
CONTRACTOR(S): <u>Koill Drilling</u> Address: <u>Lexington, Kentucky</u>		<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th>Casing Size</th> <th>Hole Size</th> <th>Depth</th> <th>Sks Cement</th> <th>Csg Pulled</th> </tr> </thead> <tbody> <tr> <td><u>7"</u></td> <td><u>8 1/2"</u></td> <td><u>550</u></td> <td><u>77</u></td> <td></td> </tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td><td> </td></tr> </tbody> </table>		Casing Size	Hole Size	Depth	Sks Cement	Csg Pulled	<u>7"</u>	<u>8 1/2"</u>	<u>550</u>	<u>77</u>																																				
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Interval (Depths-Top, Base)	Formation	Remarks (Shows of Oil and/or Gas, Fill-up Tests, DST's, Cores, etc.)
<u>465'-525'</u>	<u>lime</u>	
<u>1230'-1250'</u>	<u>corniferous</u>	

THE ABOVE INFORMATION IS COMPLETE AND CORRECT.

Signed _____

Date 8/25/83

Title V. P. of Drlg. & Prod.

This form must be completed and filed for every permit. Re-Opened wells need not include a driller's log. However, the front side of the form must be completed.

FORMATION RECORD

From	To	Rock Type (describe rock types and other materials penetrated and record occurrences of oil, gas and water from surface to total depth)	From	To	Rock Type (describe rock types and other materials penetrated and record occurrences of oil, gas and water from surface to total depth)
0	50	top soil			
50	75	white sand			
75	200	grey shale			
200	300	white sand			
300	465	white sand			
465	500	lime			
500	525	lime			
525	550	green shale			
550	675	green shale			
675	950	grey shale			
950	1000	grey shale			
1000	1150	brown shale			
1150	1162	grey shale			
1162	1165	brown shale			
1165	1170	grey shale			
1170	1203	brown shale			
1203	1227	grey shale			
1227	1230	cap			
1230	1250	corniferous			
1250	1275	no cuttings			

83ECONV

WELL SUMMARY MINNIE FLY 1

- 1-30-84 Rig 2-S. MI, RU.
- 2-1-84 Strung up tools, drilled 1253', 40' of oil, 700' of water in
- 2-2-84 1257' TD. Bailed out 3' of shot hole. Good show of oil.
- 2-3-84 1259' TD. Cleaning out shot hole.
- 2-4-84 Cleaning out frac sand from 1398' to 1425'.
- 2-6-84 Cleaning out shot hole from 1264' to 1267', made 3'.
- 2-7-84 1269' TD. Ran sand pump, cleaning out shot hole.
- 2-8-84 Made 17', cleaning out shot hole.
- 2-9-84 1288' TD. Made 2', lost sand pump, and 300' sand line in hole. Started fishing.
- 2-10-84 1293' TD. Drilled 5', changed drilling tools.
- 2-11-84 1295' TD. Made 2'. Cleaning out hole. Metal in hole may be plug.
- 2-13-84 1314' TD. Made 19'. Top of fluid 600'.
- 2-14-84 1332' TD. Made 18'. Drilling new hole.
- 2-15-84 1345' TD. Drilling from 1332' to 1345', made 13'. Top of fluid 600', good show of oil. Ready to log.
- 2-16-84 RU Allegheny to log well. Ran Perforation Depth Control Log Allegheny. Ran tbg. and pkr. 700' in hole.
- 2-18-84 RU Dowell. Pumped in 250 gals. of 15% HCL acid. Attempt to log formation down. Pkr. failed to hold. Reversed out acid TOH packer.
- 2-20-84 Ran 1345' X 4 1/2" csg. RU Halliburton cemented well. RD.
- 2-22-84 Perforated 4 1/2" csg. Perforated from
1284'-1300' 16'
1318'-1327' 9'
- 2-24-84 WO pkr.
- 2-25-84 Run tbg. and pkr., pkr. stopped @ 732'. Pulled tbg. and pkr.
- 2-27-84 Ran Halliburton Selective Packer in hole. Broke down perforator with 3000# down to 2000#. Pumped in 1000 gals. 15% HCL acid TOH with pkr.

4 minute : 500#, after balls went to 1100# psi @ 5 bbls. per mi
dropped 3 balls. Started cleaning out frac sand.

2-29-84 Cleaned out frac sand. Ran tubing.

3-1-84 Ran rods and tbg. Pumped well on rig. RD.

3-16-84 RU Rig 3-S. Pulled rods.

3-17-84 Ran rods, POP. RD.

9-4-84 Pulled rods, started pulling tbg.

9-5-84 Pulled tbg., cleaned hole.

9-6-84 Finished cleaning hole, ran rods and tbg., POP.

11-1-84 RU, Rig 3-S. Pulled rods, changed cups, ran rods, POP.

AN0385
1



COMMONWEALTH OF KENTUCKY
DEPARTMENT OF MINES AND MINERALS
OIL AND GAS DIVISION
P.O. BOX 680
LEXINGTON, KENTUCKY 40586

WELL LOG AND COMPLETION REPORT

TO BE FILED IMMEDIATELY AFTER COMPLETION OF WELL
NOTICE: IT IS NECESSARY TO SUBMIT A RECORD FOR EACH PERMIT.

WELL IDENTIFICATION Permit No. <u>54028</u> Operator <u>Rexplore, Inc.</u> Farm Name <u>Minnie Hill</u> Well No. <u>#2</u>		TYPE OF COMPLETION (check one) Dry Hole <input type="checkbox"/> Shut-in or Producing? Oil <input checked="" type="checkbox"/> Gas <input type="checkbox"/> Pressure Maintenance or Secondary Recovery: Water Injection <input type="checkbox"/> Gas Injection <input type="checkbox"/> Gas Storage: Injection-Extraction <input type="checkbox"/> Observation <input type="checkbox"/>																																														
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ELEVATION <u>8713'</u> (ground) (D.F.) (K.B.)		INITIAL PRODUCTION Natural <u>1 bopd</u> Date <u>1/28/83</u> After Treatment _____ Date _____																																														
TOTAL DEPTH Driller's Log <u>1350'</u> Geophysical Log <u>1342'</u>		COMPLETION INTERVAL Formation Name(s) <u>lime</u> Interval(s) <u>475'-525'</u>																																														
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Signed _____
 Title V.P. of Drlg. & Prod.

Date 8/25/83

This form must be completed and filed for every permit. Re-Opened wells need not include a driller's log. However, the front side of the form must be completed.

AN0555

FORMATION RECORD

From	To	Rock Type (describe rock types and other materials penetrated and record occurrences of oil, gas and water from surface to total depth)	From	To	Rock Type (describe rock types and other materials penetrated and record occurrences of oil, gas and water from surface to total depth)
0	10	top soil			
10	75	brown sod			
75	100	grey shale			
100	200	white sand			
200	400	white sand			
400	475	white sand			
475	525	lime			
525	655	green shale			
655	700	grey shale			
700	1020	grey shale			
1020	1225	brown shale			
1225	1284	brown shale			
1284	1350	coniferous			

2550NV

WELL SUMMARY MINNIE HILL #2

1-12-83 Koil T-4. MI, RU. Drilled 10'.
1-13-83 200' TD. Set drive pipe.
1-14-83 400' TD. Drilled 200'.
1-17-83 Drilled 125'.
1-25-83 525' TD. Ran csg., and pulled tbg. Cemented - Bestwa
1-26-83 700' TD. Delivered pump jack and bits to well site.
Changed bit, ran steel back in hole. Filled up rig wi
fuel and hyd. fluid. Drilled 175'.
1-27-83 1350' TD. Drilled 650', show of oil @ 1283'.
1-28-83 Pulled steel, RD,MO.
10-28-83 Don Friend Rig 3-S. RU and pulled rods.
11- 2-83 Fill up @ 1268', top of fluid @ 800'.
11-4 -83 RD for repairs.
11-7 -83 Koil T-4. Hole cave in at 1335'.
11-8- 83 Working on rig.
11-10-83 Working on rig.
11-14-83 TIH with new bit. Drilled 63', to 200' above shot hole
11-15-83 1400' TD. TIH 200', 105' of fill in hole. Cleaned out
hole. TOH. RD, MO.
11-17-83 Mays Well Service. MI, cleaning out well.
11-18-83 1380' TD. Hole is caving in bad. Cleaning out hole.
Approx. 225' of fluid in hole.
11-21-83 1404' TD. Cleaning out well. Logged well with Alleghe
Compinsated Density Log. Approx 325'of fluid when logg
11-23-83 Tore down tools. Ran tbg. and packer. Hauled jts. of
to well site.
11-28-83 Waiting on Dowell to sand frac well.
11-29-83 Cut tbg., sand fracked well. Pulled tbg. and packer. G
ting ready to bail on hole.
11-30-83 Bailing on hole. Hole was bridged off @ Approx. 1325'.
Strung up tools. Cleaning out well. Hole is caving-BAI

AN0597

12-1 -83 Cleaning out hole. Hole caved in on bailer.
12-2 -83 Got bailer out. Cleaning out hole. Hole still caving.
12-5 -83 Cleaning out hole. Bailing on hole. Tore tools down, r
 tubing and rods. Pumping well.
12-6 -83 RD, MO.

12-30-83 Don Friend Rig 5-S. RU, pulled rods.

1-3 -84 Finished pulling tbg., RD, MO.
1-4 -84 Set up rig tally 4 1/2 pipe, checking hole.
1-5 -84 Ran 4 1/2" pipe, cementing well with Halliburton.
1-6 -84 Ran tubing and packer.
1-7 -84 Pulled tubing and packer. Halliburton fracked well.
1-8 -84 Cleaning out frac sand.
1-9 -84 Finished cleaning well. Ran tubing and rods. Re-set
 Pump jack.
6-26-84 Pulled rods, changed cups. POP.

4-8-85 RU. pulled rods, chg. cups + ran rods back in
 POP. RD.

9-16-85 Rig F-1. 1 day on job. RT, RU. Pulled 46 rods.
 ran rods back. Fished out 12 rods, rods broke.
 pulled tubg. to fish out remaining rods.

9-17-85 Rig F-1. 2 days on job. Ran tubg and rods,
 replaced 3 broken rods. Changed cups, POP. RD

1-21-86 Rig 22-W. 1 day on job. Fished out and replaced
 broken rod, ran rods, POP

AN05E9

1

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF MINES AND MINERALS
DIVISION OF OIL AND GAS
P.O. Box 2244
FRANKFORT, KY 40601 PHONE (502) 573-0147



AFFIDAVIT OF WELL LOG
AND COMPLETION REPORT
AS REQUIRED BY LAW

(TYPE OR PRINT IN INK)

OPERATOR PHONE 740-371-2940

WELL IDENTIFICATION		PERMIT NO. 54026	
OPERATOR Triad Resources, Inc.		WELL NO. 3	
FARM NAME Minnie Hill			
TYPE OF OPERATION	LOCATION		
TWIN <input type="checkbox"/>	COUNTY Lee		
REOPEN <input type="checkbox"/>	SEC 18, T1R N, NO 71		
NEW WELL <input checked="" type="checkbox"/>	660' <input type="checkbox"/> FNL 390' <input type="checkbox"/> FNL		
WORKOVER <input type="checkbox"/>			
DEEPENING <input type="checkbox"/>			
ELEVATION 904.7' (GROUND) (D.F.)			
OPERATIONAL DATES			
COMMENCED 01-31-1983 COMPLETED 04-06-2006			
PLACED IN OPERATION 05-10-2006			
PLUGGED SHUT-IN			
DRILLING CONTRACTOR			
NAME Koil Drilling Co.			
ADDRESS (No longer in business)			
FLUIDS ENCOUNTERED (FRESH, SALT, SULFUR)			
TYPE	FROM TO		
COMMENTS			
None reported on 1983 drilling reports.			
GEOPHYSICAL LOGS RUN (AS REQUIRED BY KRS 353.450(2))			
(ELECTRICAL, INDUCTION, SONIC, GAMMA RAY, NEUTRON, DENSITY, ETC)			
TYPE	FROM TO		
GR-Dens.-Neutr.	526' 1354'		
CCL	1100' 1332'		
TOTAL DEPTH DRILLED 1353' (in 1984)			
(AS REQUIRED BY KRS 363.670)			
LOG DATA			
NO OUTSIDE DIAMETER	HOLE DIAMETER	DEPTH	CEMENT NO. SKS
7"	8-1/2"	575'	68
4-1/2"	6-1/8"	1339'	135
CEMENT YIELD IN CUBIC FEET/BACK 1.18			
COMMENTS			
Cement circulated to surface.			
TYPE OF COMPLETION (CHECK ONE)			
DRY HOLE <input type="checkbox"/>			
OIL <input checked="" type="checkbox"/>			
GAS <input type="checkbox"/>			
DOMESTIC GAS <input type="checkbox"/>			
ENHANCED RECOVERY:		SERVICE WELL:	
WATER INJECTION <input type="checkbox"/>		WATER SUPPLY <input type="checkbox"/>	
GAS INJECTION <input type="checkbox"/>		SALT WATER DISPOSAL <input type="checkbox"/>	
GAS STORAGE:		OBSERVATION <input type="checkbox"/>	
INJECTION-EXTRACTION <input type="checkbox"/>		OTHER <input type="checkbox"/>	
OTHER DESCRIBE			
WELL TREATMENT		TYPE OF FRAC.	
TYPE SHOT		SHOT	
SHOT INTERVAL			
SHOT AMOUNT			
COMPLETION INTERVAL PERFORMANCES OR OPEN HOLE			
FORMATION Koeler Sand		INTERVAL 1302-1336'	
FORMATION		INTERVAL	
PLUGGED		SHUT-IN	
TREATMENT			
TYPE OF TREATMENT Sand Fracture			
ACID AMOUNT 12 BBLs		2ND STAGE BBLs	
TOTAL FLUID 230.7 BBLs		2ND STAGE BBLs	
TOTAL NITROGEN		SCF	
TOTAL SAND 15,000		LBS	
ADDITIONAL CEMENTING			
SQUEEZE CEMENT SKS TOP			
1270-1277' (old perms.)		INTERVAL	
PLUG BACK SKS TOP			
		INTERVAL	
INITIAL TEST VOLUMES			
OIL: NATURAL B/D DATE			
AFTER TREATMENT 8 B/D 5-24-2006 DATE			
GAS: NATURAL MCF DATE			
AGAINST BACKPRESSURE OF PSI			
SHUT-IN PRESSURE AFTER HOURS			
AFTER TREATMENT MCF DATE			
AGAINST BACKPRESSURE OF PSI			
SHUT-IN PRESSURE AFTER HOURS			
LIST OF TESTS, CORES, FILL-UP TESTS AND OTHER SPECIALIZED TESTS			
TYPE FROM			
DEPARTMENT FOR NATURAL RESOURCES			

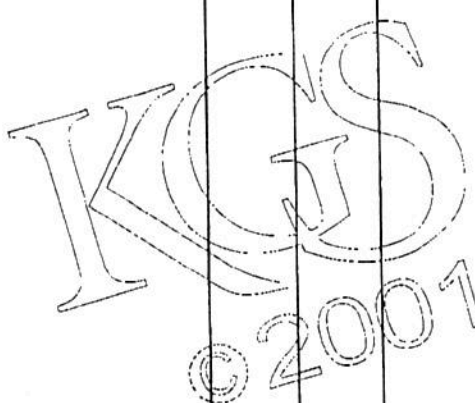
THIS FORM MUST BE COMPLETED AND FILED FOR EVERY PERMIT IMMEDIATELY AFTER COMPLETION OF THE WELL. RE-OPERATED WELLS NEED NOT INCLUDE A DRILLER'S LOG. HOWEVER, THE FRONT SIDE OF THIS FORM MUST BE COMPLETED. INCOMPLETE FORMS WILL BE REJECTED.

0028326007




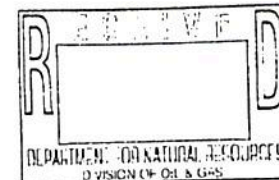
FORMATION RECORD

FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURRENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)	FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURRENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)
		See previous records for this well.			



0028326006





AFFIDAVIT

Triad Resources, Inc. OPERATOR OF THE WELL CAPTIONED AS
 PERMIT NUMBER 54026 DOES HEREBY SWEAR THAT THE DEPTH OF THE WELL IS ACCURATE
 AND CORRECT AND DOES NOT EXCEED THE PERMITTED DEPTH OF 1,600 ft.

SIGNATURE OF OPERATOR



President

TITLE

DATE

SWORN TO AND SUBSCRIBED BEFORE ME THIS 1st DAY OF June, 2006



ELIZABETH R. TERLAY, Notary Public
 in and For The State of Ohio
 My Commission Expires 2-27-11


 NOTARY PUBLIC

MY COMMISSION EXPIRES



AFFIDAVIT TO TIME AND MANNER
OF PLUGGING AND FILLING WELL
AS REQUIRED BY LAW

(Type or Print)

Reexplorer Drlg.
Name and Address of Last Operator

S/A
Name and Address of Original Operator Who First Permitted and Drilled This Well

N/A
Name and Address of Coal Operator

Permit No. 54027, Elevation 923, County Lee, Total Depth 1408

Carter Coordinates 200 FNL 46 FEL 18, Letter A, Number 71

Farm Owner (Lessor) MINNIE HILL Well Number 4

Affidavit to be made in triplicate, one copy to be mailed to the Department of Mines and Minerals, one copy to be retained by the Well Operator and the third copy to be mailed by registered mail to each Coal Operator named at their respective addresses.

AFFIDAVIT

STATE OF KENTUCKY,
COUNTY OF Lee } SS:

Reexplorer Drlg., Operator of the above
captioned well does hereby swear that the plugging of said wells was completed according to instructions from the oil and gas inspector and according
to Chapter 353 of the Kentucky Revised Statutes on 9-22, 19 93, record of which is listed below or shown on
the back of this form.

(Plug Description)

PLUGGED:	From <u>1325</u>	To <u>surface</u>	With <u>245 S&S of Class A cut</u>
	From _____	To _____	With _____
	From _____	To _____	With _____
	From _____	To _____	With _____
	From _____	To _____	With _____
	From _____	To _____	With _____
	From _____	To _____	With _____
	From _____	To _____	With _____

Indicate below the size and interval of all casing left in the well and if and where it was shot off.

Casing Size <u>7'</u>	Interval _____	Shot Off at _____	Bottom of Casing At <u>530'</u>
Casing Size _____	Interval _____	Shot Off At _____	Bottom of Casing At _____
Casing Size _____	Interval _____	Shot Off At _____	Bottom of Casing At _____

If casing was NOT left in the well, indicate the bore hole size and interval.

Bore Hole Size _____ Interval _____

Bore Hole Size _____ Interval _____

State whether or not other steel or junk was left in the well and describe: NONE

(Optional) Signature of Contractor responsible for above plugging _____ Title _____

David R. Earle Geologist (Authorized Agent)
(Required) Signature of Operator responsible for above plugging _____ Title _____

Sworn to and subscribed before me this 22nd day of September, 19 93

Edna C. Cole
Notary Public

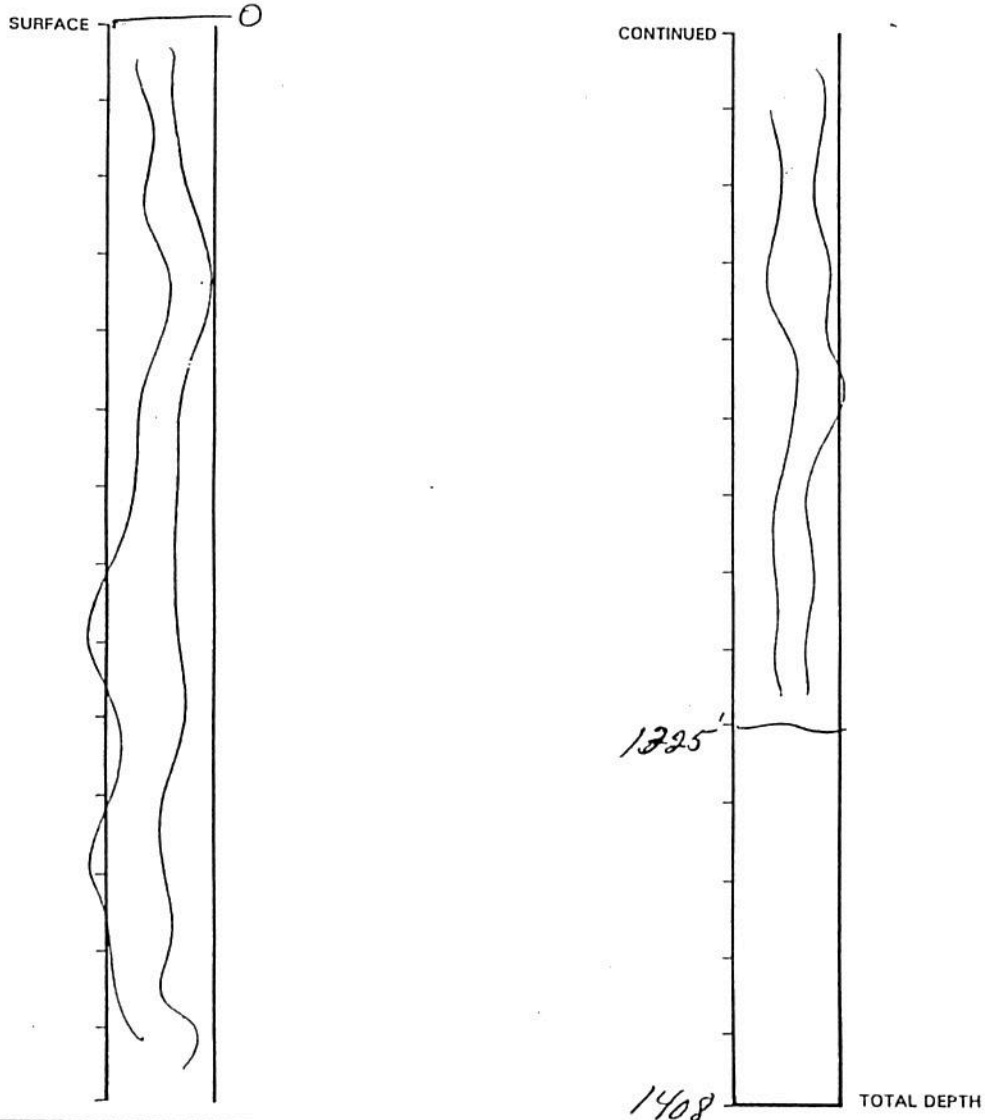
My commission expires: November 24, 1995

CEMENT TABLE

Hole Size	2"	3"	4"	5"	6 1/2"	8"	8 1/2"	8 3/4"	10"	12"	16"
No. Ft. Filled per sack of cement*	45'	20'	11'	7'	4'	2 3/4'	2 1/2'	2 1/2'	2'	1'	1/2'

*1 cubic foot per sack

Graphically Show Below the Location and Interval of all Plugs Installed



If the well is to be left as a domestic water well, plug according to the Inspectors instructions, complete this form on both sides and have the following affidavit signed by the real estate owner.

AFFIDAVIT

I, _____, the owner of the real estate on which this well was drilled, desire that the well be left open from the fresh water zone to the surface for use as a water well and do hereby accept the full responsibility for said water well. The Oil Operator remains responsible for all plugs below the fresh water zone.

Signature of Owner or his agent

Date

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF MINES AND MINERALS
OIL AND GAS DIVISION
BOX 690
LEXINGTON, KENTUCKY 40586



WELL LOG AND
COMPLETION REPORT
AS REQUIRED BY LAW

TYPE OR PRINT

WELL IDENTIFICATION

Permit No. 63390

Operator Rexlore, Inc., Kail Drlg., &
Concord Drly., Inc.

Farm Name Minnie Hill

Well No. 5

TYPE OPERATION

LOCATION

Twin Well ☐

County

Lee

Re-Open ☐

New Well ☒

Sec.

18

Letter

N

Number

71

Workover ☐

Deepening ☐

660'

745'

ELEVATION

881.51'

(ground)

(D.F.)
(K.B.)

TOTAL DEPTH DRILLED
OPERATIONAL DATES

1350'

Commenced 7/9/84 Completed 7/11/84

Placed in Operation 9/21/84

Plugged

Shut-In

DRILLING METHOD

Cable Tool: From _____ To _____

Rotary: Conventional ☐ Air ☒ Mud ☐

GEOPHYSICAL LOGS RUN

(Electrical, induction, sonic, gamma ray, neutron, density, etc.)

Type

From

To

Compensated Density

0

1350'

WATER ENCOUNTERED

(Fresh, salt, sulfur)

Type

From

To

No driller's comment

Comments

TYPE OF COMPLETION (Check One)

Dry Hole ☐

Shut-In or Producing?

Oil ☒

Gas ☐

Producing

ENHANCED RECOVERY:

SERVICE WELL:

Water Injection ☐

Water Supply ☐

Gas Injection ☐

Salt Water Disposal ☐

GAS STORAGE:

Observation ☐

Injection-Extraction ☐

Other ☐

Other Describe _____

INITIAL PRODUCTION

Oil: Natural 1 BOPD B/D 7/11/84 Date

After Treatment 2.5 B/D 9/24/84 Date

Gas: Natural _____ MCF _____ Date

Against Backpressure of _____ PSI

Shut-In Pressure _____ after _____ hours

After Treatment _____ MCF _____ Date

Against Backpressure of _____ PSI

Shut-In Pressure _____ after _____ hours

COMPLETION INTERVAL

Formation Name

Interval

Corniferous 1281-1295

1311-1316

1325-1329

WELL TREATMENT

None

In Open

Thru

Shot _____ qts. _____ Interval ☐

Hole

Perforation ☐

Shot _____ qts. _____ Interval ☐

Acid _____ gals. _____ Interval ☐

Acid 500 gals. _____ Interval ☒

Frac. _____ gals. _____ Interval ☐

15,000 lbs./sand

Frac. _____ gals. _____ Interval ☐

_____ lbs./sand

CASING DATA

Casing Outside
Diameter

Hole
Diameter

Depth

Cement
No. Sks

Pulled
Yes/No

7"

8 3/4"

47'

7

No

4 1/2"

6 1/2"

1356'

120

No

Cemented and circulated to
surface with Dowell

Cement yield in cubic feet/sack = _____

Comments

OCCURRENCE OF OIL AND GAS

Remarks

(Shows of Oil and Gas, Fill-up Tests, DST'S, Cores, etc.)

No comment on Driller's Log

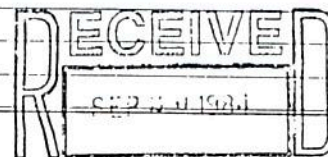
The undersigned hereby swears (or affirms) that the foregoing facts given are true as therein set forth.

Dates this 14th day of September 19 84

Mark E. Seyer
Signature

Mark E. Seyer
V.P. of Operations

This form must be completed and filed for every permit immediately after completion of the well. Re-opened wells need not include a Driller's Log, however, the front side of this form must be completed. Incomplete forms will be rejected.



FORMATION RECORD

From	To	Rock Type (describe rock types and other materials penetrated and record occurrences of oil, gas and water from surface to total depth)	From	To	Rock Type (describe rock types and other materials penetrated and record occurrences of oil, gas and water from surface to total depth)
0	350	Sandy shale			
350	365	Sand & Shale			
365	528	Lime			
528	1010	Sandy Shale			
1010	1220	Brown Shale			
1220	1330	Cap rock			
1330	1350	Shale			

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF MINES AND MINERALS
OIL AND GAS DIVISION
BOX 690
LEXINGTON, KENTUCKY 40586



WELL LOG AND
COMPLETION REPORT
AS REQUIRED BY LAW

TYPE OR PRINT

WELL IDENTIFICATION

Permit No. 63389
Operator Rexlore, Inc., Koil Drilling, Inc., & Concord Drilling, Inc.
Farm Name Minnie Hill Well No. 6
TYPE OPERATION LOCATION
Twin Well ☐ County Lee
Re-Open ☐
New Well ☒ Sec. 18 Letter N Number 71
Workover ☐
Deepening ☐ 1135' ENL 620' FEI

ELEVATION 880.88' (ground) (D.F.) (K.B.)

TOTAL DEPTH DRILLED 1337'

OPERATIONAL DATES

Commenced 7/14/84 Completed 7/15/84

Placed in Operation 9/22/84

Plugged Shut-In

DRILLING METHOD

Cable Tool: From To

Rotary: Conventional ☐ Air ☒ Mud ☐

From 0 To 1337'

GEOPHYSICAL LOGS RUN

(Electrical, induction, sonic, gamma ray, neutron, density, etc.)

Type From To
Compensated Density 0 1337'

WATER ENCOUNTERED

(Fresh, salt, sulfur)

Type From To

Comments None

TYPE OF COMPLETION (Check One)

Dry Hole ☐ Shut-In or Producing?
Oil ☒ Producing
Gas ☐

ENHANCED RECOVERY:

SERVICE WELL:

Water Injection ☐ Water Supply ☐

Gas Injection ☐ Salt Water Disposal ☐

Observation ☐

GAS STORAGE:

Injection-Extraction ☐ Other ☐

Other Describe

INITIAL PRODUCTION

Oil: Natural 1 B/D 7/15/84 Date

After Treatment 3 B/D 9/22/84 Date

Gas: Natural MCF Date

Against Backpressure of PSI

Shut-In Pressure after hours

After Treatment MCF Date

Against Backpressure of PSI

Shut-In Pressure after hours

COMPLETION INTERVAL

Formation Name

Interval

Corniferous 1278'-1293'

1310'-1315'

1326'-1329'

WELL TREATMENT

Shot qts. Interval ☐ In Open Hole ☐ Thru Perforation ☐

Shot qts. Interval ☐ In Open Hole ☐ Thru Perforation ☐

Acid gals. Interval ☐ In Open Hole ☐ Thru Perforation ☐

Acid 500 gals. Interval ☐ In Open Hole ☐ Thru Perforation ☒

Frac. gals. Interval ☐ In Open Hole ☐ Thru Perforation ☐

10,000 lbs./sand

Frac. gals. Interval ☐ In Open Hole ☐ Thru Perforation ☐

 lbs./sand

CASING DATA

Casing Outside Diameter Hole Diameter Depth Cement No. Sks. Pulled Yes/No

7" 8 3/4" 42' 6 No

4 1/2" 6 1/4" 1344' 120 No

Cemented and circulated to surface
with Dowell

Cement yield in cubic feet/sack

Comments

OCCURENCE OF OIL AND GAS

Formation

Interval

Remarks

(Shows of Oil and Gas, Fill-up Tests, DST'S, Cores, etc.)

1260' Corniferous Show of Oil

The undersigned hereby swears (or affirms) that the foregoing facts given are true as therein set forth.

Dates this 11th day of October, 1984

Mark E. Seyer Signature Mark E. Seyer Title
V.P. of Operations

This form must be completed and filed for every permit immediately after completion of the well. Re-opened wells need not include a Driller's Log, however, the front side of this form must be completed. Incomplete forms will be rejected.
Revised 2-84

AN0822
1

FORMATION RECORD

Rock Type (describe rock types and other materials penetrated and record occurrences of oil, gas and water from surface to total depth)			Rock Type (describe rock types and other materials penetrated and record occurrences of oil, gas and water from surface to total depth)		
From	To		From	To	
0	90	Sand			
90	365	Sand and Shale			
365	415	Shale			
415	490	Lime			
490	900	Shale			
900	1018	Green and Gray Shale			
1018	1200	Coffee Shale			
1200	1226	Fire Clay			
1226	1328	Corniferous			
1328	1357	Red & Green Shale			

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF MINES AND MINERALS
OIL AND GAS DIVISION
BOX 690
LEXINGTON, KENTUCKY 40586

CONFIDENTIAL

WELL LOG AND COMPLETION REPORT AS REQUIRED BY LAW

TYPE OR PRINT
WELL IDENTIFICATION

Permit No. 63220

Operator Rexlore, Inc., Koil Drilling, & Concord Drilling, Inc.
Farm Name Minnie Hill Well No. 7

TYPE OPERATION LOCATION

Twist Well ☐ County Lee
Re Open ☐
New Well ☒ Sec. 18 Letter N Number 71
Workover ☐
Deepening ☐ 255' 1300'

ELEVATION 945.85' (ground) (D.F.) (K.B.)

TOTAL DEPTH DRILLED 1417'

OPERATIONAL DATES

Commenced 7/13/84 Completed 7/14/84

Placed in Operation

Plugged Shut-In

DRILLING METHOD

Cable Tool: From 0 To 1417'

Rotary: Conventional ☐ Air ☒ Mud ☐

From 0 To 1417'

GEOPHYSICAL LOGS RUN

(Electrical, induction, sonic, gamma ray, neutron, density, etc.)

Type From To
Compensated Density 0 1419'

WATER ENCOUNTERED

(Fresh, salt, sulfur)

Type From To

Comments No comment on drillers log.

Formation

Interval

Corniferous 1285' - 1390'

OCCURENCE OF OIL AND GAS

Remarks

(Shows of Oil and Gas, Fill-up Tests, DST'S, Cores, etc.)

Show of oil

TYPE OF COMPLETION (Check One)

Dry Hole ☐

Shut-In or Producing?

Oil ☒

Gas ☐

Producing

ENHANCED RECOVERY:

Water Injection ☐

Gas Injection ☐

SERVICE WELL:

Water Supply ☐

Salt Water Disposal ☐

Observation ☐

GAS STORAGE:

Injection Extraction ☐

Other Describe

Other ☐

INITIAL PRODUCTION

Oil: Natural 1 1/2 B/D 7/14/84 Date

After Treatment B/D Date

Gas: Natural MCF Date

Against Backpressure of PSI

Shut-In Pressure after hours

After Treatment MCF Date

Against Backpressure of PSI

Shut-In Pressure after hours

COMPLETION INTERVAL

Formation Name
Corniferous

Interval

1341 - 1352

1355-1357

1367-1377

WELL TREATMENT

	In Open Hole	Thru Perforation
Shot <u> </u> qts. <u> </u> Interval <u> </u>	<input type="checkbox"/>	<input type="checkbox"/>
Shot <u> </u> qts. <u> </u> Interval <u> </u>	<input type="checkbox"/>	<input type="checkbox"/>
Acid <u> </u> gals. <u> </u> Interval <u> </u>	<input type="checkbox"/>	<input type="checkbox"/>
Acid <u>500</u> gals. <u> </u> Interval <u> </u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Frac. <u> </u> gals. <u> </u> Interval <u> </u>	<input type="checkbox"/>	<input type="checkbox"/>
<u> </u> lbs./sand		
Frac. <u> </u> gals. <u> </u> Interval <u> </u>	<input type="checkbox"/>	<input type="checkbox"/>
<u> </u> lbs./sand		

CASING DATA

Casing Outside Diameter	Hole Diameter	Depth	Cement No. Sks.	Pulled Yes/No
<u>7"</u>	<u>8 3/4"</u>	<u>21.5'</u>	<u>3</u>	<u>No</u>
<u>4 1/2"</u>	<u>6 1/2"</u>	<u>1410'</u>	<u>140</u>	<u>No</u>

Cemented and circulated to surface with Dowell

Cement yield in cubic feet/sack =

Comments

The undersigned hereby swears (or affirms) that the foregoing facts given are true as therein set forth.

Dates this 14th day of September, 1984

Mark E. Seyer
Signature

Mark E. Seyer, V.P. of Operations
Title

This form must be completed and filed for every permit immediately after completion of the well. Re-opened wells need not include a Driller's Log, however, the front side of this form must be completed. Incomplete forms will be rejected.
Revised 7-84

FORMATION RECORD

From	To	Rock Type (describe rock types and other materials penetrated and record occurrences of oil, gas and water from surface to total depth)	From	To	Rock Type (describe rock types and other materials penetrated and record occurrences of oil, gas and water from surface to total depth)
0	450	Sand & Shale			
450	560	Lime			
560	1075	Shale			
1075	1260	Black Shale			
1260	1285	Fire Clay			
1285	1390	Corniferous			
1390	1415	Shale			



(TYPE OR PRINT IN INK)

OPERATOR'S PHONE: 740-374-2940

WELL IDENTIFICATION PERMIT NO. 97389 OPERATOR Triad Resources, Inc. FARM NAME Minnie Hill WELL NO. 8		TYPE OF COMPLETION (CHECK ONE) DRY HOLE <input type="checkbox"/> OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> DOMESTIC GAS <input type="checkbox"/> ENHANCED RECOVERY: WATER INJECTION <input type="checkbox"/> GAS INJECTION <input type="checkbox"/> GAS STORAGE: INJECTION-EXTRACTION <input type="checkbox"/> OTHER DESCRIBE _____ SERVICE WELL: WATER SUPPLY <input type="checkbox"/> SALT WATER DISPOSAL <input type="checkbox"/> OBSERVATION <input type="checkbox"/> OTHER <input type="checkbox"/>	
TYPE OF OPERATION TWIN <input type="checkbox"/> REOPEN <input type="checkbox"/> NEW WELL <input checked="" type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/>		LOCATION COUNTY Lee SEC. 18 LTR. N NO. 71 190 <input checked="" type="checkbox"/> FNL 730 <input checked="" type="checkbox"/> FEL <input type="checkbox"/> FSL <input type="checkbox"/> FWL	
ELEVATION 934' (GROUND) (D.F.) (K.B.)		WELL TREATMENT TYPE OF FRAC. SHOT TYPE SHOT _____ SHOT INTERVAL _____ SHOT AMOUNT _____	
OPERATIONAL DATES COMMENCED 10/17/2005 COMPLETED 10/31/2005 PLACED IN OPERATION 2/16/2006 PLUGGED _____ SHUT-IN _____		COMPLETION INTERVAL PERFORMANCES OR OPEN HOLE FORMATION Keefer Sand INTERVAL 1340-1380' FORMATION _____ INTERVAL _____ PLUGGED _____ SHUT-IN _____	
DRILLING CONTRACTOR NAME Jimmy Reliford Drilling Co. ADDRESS P. O. Box 609 Columbia, KY 42728		TREATMENT TYPE OF TREATMENT Sand Fracture ACID AMOUNT 12 BBLS 2ND STAGE BBLS TOTAL FLUID 349 BBLS 2ND STAGE BBLS TOTAL NITROGEN _____ SCF TOTAL SAND 14,400 LBS	
WATER ENCOUNTERED (FRESH, SALT, SULFUR) TYPE FROM TO Fresh 55' Salt 1270'		ADDITIONAL CEMENTING SQUEEZE CEMENT _____ SKS TOP PLUG BACK _____ SKS TOP INTERVAL _____	
COMMENTS		INITIAL TEST VOLUMES OIL: NATURAL _____ B/D _____ DATE AFTER TREATMENT 10 B/D 3/03/2006 DATE GAS: NATURAL _____ MCF _____ DATE AGAINST BACKPRESSURE OF _____ PSI SHUT-IN PRESSURE _____ AFTER _____ HOURS AFTER TREATMENT _____ MCF _____ DATE AGAINST BACKPRESSURE OF _____ PSI SHUT-IN PRESSURE _____ AFTER _____ HOURS	
GEOPHYSICAL LOGS RUN (AS REQUIRED BY KRS 353.550(2)) (ELECTRICAL, INDUCTION, SONIC, GAMMA RAY, NEUTRON, DENSITY, ETC.) TYPE FROM TO GR-Dens.-Neutr. 0' 1521' GR/CCL/CBL/VDL 0' 1469'		LIST DST'S, CORES, FILL-UP TESTS AND OTHER SPECIALIZED TESTS TYPE FROM	
TOTAL DEPTH DRILLED 1530' (AS REQUIRED BY KRS 353.570)			
CASING DATA CASING OUTSIDE DIAMETER HOLE DIAMETER DEPTH CEMENT NO. SKS PULLED YES/NO 7" 8-3/4" 21' 0 No 4-1/2" 6-1/4" 1481' 140 No			
CEMENT YIELD IN CUBIC FEET/SACK = 1.18			
COMMENTS Cement circulated to surface.			

FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)	FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)
0	30	Sand			
30	88	Shale			
88	164	Sand			
164	258	Shale			
258	362	Sand			
362	454	Shale and Sand			
454	480	Little Lime			
480	483	Shale			
483	579	Big Lime			
579	1070	Shale			
1070	1250	New Albany Shale			
1250	1263	Lime			
1263	1280	Shale			
1280	1330	Lockport Formation			
1330	1388	Keefer Sand			
1388	TD	Shale			
		DTD 1530'			
		LTD 1521'			

AFFIDAVIT

Triad Resources, Inc. _____, OPERATOR OF THE WELL CAPTIONED AS
 PERMIT NUMBER 97389 _____ DOES HEREBY SWEAR THAT THE DEPTH OF THE WELL IS ACCURATE
 AND CORRECT AND DOES NOT EXCEED THE PERMITTED DEPTH OF 1,600 ft. _____

SIGNATURE OF OPERATOR _____ President _____
 TITLE DATE

SWORN TO AND SUBSCRIBED BEFORE ME THIS _____ DAY OF _____, 20____.



(TYPE OR PRINT IN INK)

OPERATOR PHONE: 740-374-2940

WELL IDENTIFICATION PERMIT NO. <u>97377</u> OPERATOR <u>Triad Resources, Inc.</u> FARM NAME <u>Minnie Hill</u> WELL NO. <u>9</u>		TYPE OF COMPLETION (CHECK ONE) DRY HOLE..... <input type="checkbox"/> OIL..... <input checked="" type="checkbox"/> GAS..... <input type="checkbox"/> DOMESTIC GAS..... <input type="checkbox"/> ENHANCED RECOVERY: WATER INJECTION..... <input type="checkbox"/> SERVICE WELL: WATER SUPPLY..... <input type="checkbox"/> GAS INJECTION..... <input type="checkbox"/> SALT WATER DISPOSAL..... <input type="checkbox"/> GAS STORAGE: OBSERVATION..... <input type="checkbox"/> INJECTION-EXTRACTION..... <input type="checkbox"/> OTHER..... <input type="checkbox"/> OTHER DESCRIBE _____	
TYPE OF OPERATION TWIN..... <input type="checkbox"/> REOPEN..... <input type="checkbox"/> NEW WELL..... <input checked="" type="checkbox"/> WORKOVER..... <input type="checkbox"/> DEEPENING..... <input type="checkbox"/>		LOCATION COUNTY <u>Lee</u> SEC. <u>18</u> LTR. <u>N</u> NO. <u>71</u> <u>795'</u> <input checked="" type="checkbox"/> FNL <u>1220'</u> <input checked="" type="checkbox"/> FEL <input type="checkbox"/> FSL <input type="checkbox"/> FWL	
ELEVATION <u>872'</u> (GROUND) _____ (K.B.) _____			
OPERATIONAL DATES COMMENCED <u>9/30/2005</u> COMPLETED <u>10/17/2005</u> PLACED IN OPERATION <u>4/05/2006</u> PLUGGED _____ SHUT-IN _____		WELL TREATMENT TYPE OF FRAC. SHOT TYPE SHOT _____ SHOT INTERVAL _____ SHOT AMOUNT _____ COMPLETION INTERVAL PERFORMANCES OR OPEN HOLE FORMATION <u>Keefer Sand</u> INTERVAL <u>1263-1314'</u> FORMATION _____ INTERVAL _____ PLUGGED _____ SHUT-IN _____ TREATMENT TYPE OF TREATMENT <u>Sand Fracture</u> ACID AMOUNT <u>12</u> BBLS _____ 2ND STAGE BBLS TOTAL FLUID <u>293</u> BBLS _____ 2ND STAGE BBLS TOTAL NITROGEN _____ SCF TOTAL SAND <u>14,300</u> LBS	
DRILLING CONTRACTOR NAME <u>Jimmy Reliford Drilling Co.</u> ADDRESS <u>P. O. Box 609</u> <u>Columbia, KY 42728</u>			
WATER ENCOUNTERED (FRESH, SALT, SULFUR) TYPE FROM TO <u>Fresh</u> <u>158'</u> _____ <u>Salt</u> <u>1230'</u> _____ _____ _____ _____ COMMENTS _____			
GEOPHYSICAL LOGS RUN (AS REQUIRED BY KRS 353.550(2)) (ELECTRICAL, INDUCTION, SONIC, GAMMA RAY, NEUTRON, DENSITY, ETC.) TYPE FROM TO <u>GR-Dens.-Neutr.</u> <u>0'</u> <u>1470'</u> <u>GR-Induction</u> <u>0'</u> <u>1470'</u> <u>GR/CCL/CBL/VDL</u> <u>0'</u> <u>1441'</u> _____ _____ _____		ADDITIONAL CEMENTING SQUEEZE CEMENT _____ SKS _____ TOP _____ INTERVAL PLUG BACK _____ SKS _____ TOP _____ INTERVAL	
TOTAL DEPTH DRILLED <u>1450'</u> (reported DTD) (AS REQUIRED BY KRS 353.570)		INITIAL TEST VOLUMES OIL: NATURAL _____ B/D _____ DATE AFTER TREATMENT <u>10</u> B/D <u>4/17/2006</u> DATE GAS: NATURAL _____ MCF _____ DATE AGAINST BACKPRESSURE OF _____ PSI SHUT-IN PRESSURE _____ AFTER _____ HOURS AFTER TREATMENT _____ MCF _____ DATE AGAINST BACKPRESSURE OF _____ PSI SHUT-IN PRESSURE _____ AFTER _____ HOURS	
CASING DATA CASING OUTSIDE DIAMETER HOLE DIAMETER DEPTH CEMENT NO. SKS PULLED YES/NO <u>7"</u> <u>8-3/4"</u> <u>21'</u> <u>0</u> <u>No</u> <u>4-1/2"</u> <u>6-1/4"</u> <u>1448'</u> <u>150</u> <u>No</u> _____ _____ _____		LIST DST'S, CORES, FILL UP TESTS AND OTHER SPECIALIZED TESTS TYPE FROM _____ _____ _____ _____ _____	
CEMENT YIELD IN CUBIC FEET/SACK = <u>1.18</u> COMMENTS <u>Cement circulated to surface.</u>			

THIS FORM MUST BE COMPLETED AND FILLED FOR EVERY PERMIT IMMEDIATELY AFTER COMPLETION OF THE WELL. RE-OPENED WELLS NEED NOT INCLUDE A DRILLER'S LOG. HOWEVER, THE FRONT SIDE OF THIS FORM MUST BE COMPLETED. INCOMPLETE FORMS WILL BE REJECTED.

FROM		ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURRENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)	FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURRENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)
0	90	Sand			
90	185	Shale			
185	301	Sand			
301	387	Shale			
387	412	Little Lime			
412	416	Shale			
416	513	Big Lime			
513	1004	Shale			
1004	1184	New Albany Shale			
1184	1197	Lime			
1197	1214	Shale			
1214	1260	Lockport Formation			
1260	1316	Keefer Sand			
1316	TD	Shale			
		DTD 1450'			
		LTD 1470'			

AFFIDAVIT

Triad Resources, Inc., OPERATOR OF THE WELL CAPTIONED AS
PERMIT NUMBER 97377 DOES HEREBY SWEAR THAT THE DEPTH OF THE WELL IS ACCURATE
AND CORRECT AND DOES NOT EXCEED THE PERMITTED DEPTH OF 1,600 ft.

SIGNATURE OF OPERATOR _____ **President**
TITLE DATE

SWORN TO AND SUBSCRIBED BEFORE ME THIS _____ DAY OF _____, 20 _____.

NOTARY PUBLIC

MY COMMISSION EXPIRES: _____



(TYPE OR PRINT IN INK)

OPERATOR'S PHONE: 740-374-2940

WELL IDENTIFICATION PERMIT NO. 97378

OPERATOR Triad Resources, Inc.

FARM NAME Minnie Hill WELL NO. 10

TYPE OF OPERATION

TWIN ☐
REOPEN ☐
NEW WELL ☒
WORKOVER ☐
DEEPENING ☐

LOCATION

COUNTY Lee

SEC. 13 LTR. N NO. 71
400 ☐ FNL ☒ FEL
☒ FSL 70 ☐ FWL

(D.F.)

ELEVATION 888' (GROUND) (K.B.)

OPERATIONAL DATES

COMMENCED 7-25-2005 COMPLETED 8-12-2005

PLACED IN OPERATION 10-7-2005

PLUGGED SHUT-IN

DRILLING CONTRACTOR

NAME Jimmy Reliford Drilling Co.

ADDRESS P. O. Box 609

Columbia, KY 42728

WATER ENCOUNTERED

(FRESH, SALT, SULFUR)

TYPE	FROM	TO
Salt	@1245'	

COMMENTS

GEOPHYSICAL LOGS RUN (AS REQUIRED BY KRS 353.550(2))

(ELECTRICAL, INDUCTION, SONIC, GAMMA RAY, NEUTRON, DENSITY, ETC.)

TYPE	FROM	TO
GR-Dens.-Comp. Neut.	0'	1454'
GR-CCL-CBL	0'	1416'

TOTAL DEPTH DRILLED 1452'

(AS REQUIRED BY KRS 353.570)

CASING DATA

CASING OUTSIDE DIAMETER	HOLE DIAMETER	DEPTH	CEMENT NO. SKS.	PULLED YES/NO
7"	8-3/4"	21'	-	No
4-1/2"	6-1/4"	1421'	150	No

CEMENT YIELD IN CUBIC FEET/SACK = 1.18

COMMENTS

Cement circulated to surface.

TYPE OF COMPLETION (CHECK ONE)

DRY HOLE ☐

OIL ☒

GAS ☐

DOMESTIC GAS ☐

ENHANCED RECOVERY:

WATER INJECTION ☐

GAS INJECTION ☐

GAS STORAGE:

INJECTION-EXTRACTION ☐

OTHER DESCRIBE

SERVICE WELL:

WATER SUPPLY ☐

SALT WATER DISPOSAL ☐

OBSERVATION ☐

OTHER ☐

WELL TREATMENT

TYPE OF FRAC.

SHOT

TYPE SHOT

SHOT INTERVAL

SHOT AMOUNT

COMPLETION INTERVAL PERFORMANCES OR OPEN HOLE

FORMATION Keefer Sand INTERVAL 1274-1320'

FORMATION INTERVAL

PLUGGED SHUT-IN

TREATMENT

TYPE OF TREATMENT Sand Fracture

ACID AMOUNT 12 BBLS 2ND STAGE BBLS

TOTAL FLUID 274 BBLS 2ND STAGE BBLS

TOTAL NITROGEN SCF

TOTAL SAND 15,500 LBS

ADDITIONAL CEMENTING

SQUEEZE CEMENT SKS TOP

INTERVAL

PLUG BACK SKS TOP

INTERVAL

INITIAL TEST VOLUMES

OIL: NATURAL B/D DATE

AFTER TREATMENT 10 B/D 11-22-05 DATE

GAS: NATURAL MCF DATE

AGAINST BACKPRESSURE OF PSI

SHUT-IN PRESSURE AFTER HOURS

AFTER TREATMENT MCF DATE

AGAINST BACKPRESSURE OF PSI

SHUT-IN PRESSURE AFTER HOURS

LIST DST'S, CORES, FILL-UP TESTS AND OTHER SPECIALIZED TESTS

TYPE

FROM

FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)	FI	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)
0	104	Soil, Sand			
104	183	Shale, Sand			
183	306	Sand			
306	388	Shale, Sand			
388	413	Little Lime			
413	418	Shale			
418	512	Big Lime			
512	1010	Shale			
1010	1186	New Albany Shale			
1186	1199	Fire Clay			
1199	1217	Shale			
1217	1269	Lockport Formation			
1269	1328	Keefer Sand			
1328	TD	Shale			
		DTD 1452'			
		LTD 1454'			

AFFIDAVIT

Triad Resources, Inc., OPERATOR OF THE WELL CAPTIONED AS
 PERMIT NUMBER 97378 DOES HEREBY SWEAR THAT THE DEPTH OF THE WELL IS ACCURATE
 AND CORRECT AND DOES NOT EXCEED THE PERMITTED DEPTH OF 1,600 ft.

SIGNATURE OF OPERATOR _____ President
 TITLE DATE

SWORN TO AND SUBSCRIBED BEFORE ME THIS _____ DAY OF _____, 20____.

MY COMMISSION EXPIRES:

NOTARY PUBLIC



(TYPE OR PRINT IN INK)

OPERATOR'S PHONE: 740-374-2940

WELL IDENTIFICATION PERMIT NO. 97886 OPERATOR <u>Triad Resources, Inc.</u> FARM NAME <u>Minnie Hill</u> WELL NO. <u>11</u>		TYPE OF COMPLETION (CHECK ONE) DRY HOLE..... <input type="checkbox"/> OIL..... <input checked="" type="checkbox"/> GAS..... <input type="checkbox"/> DOMESTIC GAS..... <input type="checkbox"/> ENHANCED RECOVERY: WATER INJECTION..... <input type="checkbox"/> WATER SUPPLY..... <input type="checkbox"/> GAS INJECTION..... <input type="checkbox"/> SALT WATER DISPOSAL..... <input type="checkbox"/> GAS STORAGE: OBSERVATION..... <input type="checkbox"/> INJECTION-EXTRACTION..... <input type="checkbox"/> OTHER..... <input type="checkbox"/> OTHER DESCRIBE _____	
TYPE OF OPERATION TWIN..... <input type="checkbox"/> REOPEN..... <input type="checkbox"/> NEW WELL..... <input checked="" type="checkbox"/> WORKOVER..... <input type="checkbox"/> DEEPENING..... <input type="checkbox"/>		LOCATION COUNTY <u>Lee</u> SEC. <u>13</u> LTR. <u>N</u> NO. <u>71</u> <u>310</u> <input type="checkbox"/> FNL <input checked="" type="checkbox"/> FEL <u>650</u> <input type="checkbox"/> FWL	
ELEVATION <u>854'</u> (GROUND) _____ (K.B.)			
OPERATIONAL DATES COMMENCED <u>7-21-2005</u> COMPLETED <u>8-12-2005</u> PLACED IN OPERATION <u>10-7-2005</u> PLUGGED _____ SHUT-IN _____		WELL TREATMENT TYPE OF FRAC. SHOT TYPE SHOT _____ SHOT INTERVAL _____ SHOT AMOUNT _____	
DRILLING CONTRACTOR NAME <u>Jimmy Reliford Drilling Co.</u> ADDRESS <u>P. O. Box 609</u> <u>Columbia, KY 42728</u>		COMPLETION INTERVAL PERFORMANCES OR OPEN HOLE FORMATION <u>Keefer Sand</u> INTERVAL <u>1252-1303'</u> FORMATION _____ INTERVAL _____ PLUGGED _____ SHUT-IN _____	
WATER ENCOUNTERED (FRESH, SALT, SULFUR) TYPE FROM TO <u>Fresh</u> <u>@ 280'</u> _____ <u>Salt</u> <u>@ 1220'</u> _____ _____ _____ _____ COMMENTS _____		TREATMENT TYPE OF TREATMENT <u>Sand Fracture</u> ACID AMOUNT <u>12</u> BBLS. 2ND STAGE _____ BBLS. TOTAL FLUID <u>264</u> BBLS. 2ND STAGE _____ BBLS. TOTAL NITROGEN _____ SCF TOTAL SAND <u>15,400</u> LBS	
GEOPHYSICAL LOGS RUN (AS REQUIRED BY KRS 353.550(2)) (ELECTRICAL, INDUCTION, SONIC, GAMMA RAY, NEUTRON, DENSITY, ETC.) TYPE FROM TO <u>GR-Dens.-Neut.</u> <u>0'</u> <u>1430'</u> <u>GR-Induction</u> <u>0'</u> <u>1430'</u> <u>GR-CCL-CBL</u> <u>0'</u> <u>1410'</u> _____ _____ _____ TOTAL DEPTH DRILLED <u>1427'</u> (AS REQUIRED BY KRS 353.570)		ADDITIONAL CEMENTING SQUEEZE CEMENT _____ SKS. _____ TOP _____ INTERVAL _____ PLUG BACK _____ SKS. _____ TOP _____ INTERVAL _____	
CASING DATA CASING OUTSIDE DIAMETER HOLE DIAMETER DEPTH CEMENT NO. SKS. PULLED YES/NO <u>7"</u> <u>8-3/4"</u> <u>21'</u> <u>-</u> <u>No</u> <u>4-1/2"</u> <u>6-1/4"</u> <u>1414'</u> <u>150</u> <u>No</u> _____ _____ _____ CEMENT YIELD IN CUBIC FEET/SACK = <u>1.18</u> COMMENTS <u>Cement circulated to surface.</u>		INITIAL TEST VOLUMES OIL: NATURAL <u>Show of oil</u> B/D <u>7-25-2005</u> DATE AFTER TREATMENT <u>15</u> B/D <u>10-17-2005</u> DATE GAS: NATURAL _____ MCF _____ DATE AGAINST BACKPRESSURE OF _____ PSI SHUT-IN PRESSURE _____ AFTER _____ HOURS AFTER TREATMENT _____ MCF _____ DATE AGAINST BACKPRESSURE OF _____ PSI SHUT-IN PRESSURE _____ AFTER _____ HOURS	
		LIST DST'S, CORES, FILL-UP TESTS AND OTHER SPECIALIZED TESTS TYPE FROM _____ _____ _____ _____ _____	

FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)	FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)
0	112	Soil, Sand			
112	164	Shale, Sand			
164	314	Sand			
314	374	Shale, Sand			
374	397	Little Lime			
397	402	Shale			
402	498	Big Lime			
498	987	Shale			
987	1167	New Albany Shale			
1167	1180	Fire Clay			
1180	1197	Shale			
1197	1250	Lockport Formation			
1250	1315	Keefer Sand			
1315	TD	Shale			
		DTD 1427'			
		LTD 1430'			

AFFIDAVIT

Triad Resources, Inc., OPERATOR OF THE WELL CAPTIONED AS
 'ERMIT NUMBER _____ DOES HEREBY SWEAR THAT THE DEPTH OF THE WELL IS ACCURATE
 AND CORRECT AND DOES NOT EXCEED THE PERMITTED DEPTH OF 1,600 ft.

SIGNATURE OF OPERATOR _____ TITLE _____ DATE _____
 President

SWORN TO AND SUBSCRIBED BEFORE ME THIS _____ DAY OF _____, 20____.

NOTARY PUBLIC

MY COMMISSION EXPIRES:



(TYPE OR PRINT IN INK)

OPERATOR'S PHONE: 740-374-2940

WELL IDENTIFICATION PERMIT NO. 97379 OPERATOR <u>Triad Resources, Inc.</u> FARM NAME <u>Minnie Hill</u> WELL NO. <u>12</u>		TYPE OF COMPLETION (CHECK ONE) DRY HOLE <input type="checkbox"/> OIL <input checked="" type="checkbox"/> GAS <input type="checkbox"/> DOMESTIC GAS <input type="checkbox"/> ENHANCED RECOVERY: <input type="checkbox"/> SERVICE WELL: <input type="checkbox"/> WATER INJECTION <input type="checkbox"/> WATER SUPPLY <input type="checkbox"/> GAS INJECTION <input type="checkbox"/> SALT WATER DISPOSAL <input type="checkbox"/> GAS STORAGE: <input type="checkbox"/> OBSERVATION <input type="checkbox"/> INJECTION-EXTRACTION <input type="checkbox"/> OTHER <input type="checkbox"/> OTHER DESCRIBE _____	
TYPE OF OPERATION TWIN <input type="checkbox"/> REOPEN <input type="checkbox"/> NEW WELL <input checked="" type="checkbox"/> WORKOVER <input type="checkbox"/> DEEPENING <input type="checkbox"/>		LOCATION COUNTY <u>Lee</u> SEC. <u>13</u> LTR. <u>N</u> NO. <u>71</u> <input type="checkbox"/> FNL <input checked="" type="checkbox"/> FSL <input type="checkbox"/> FEL <input type="checkbox"/> FWL <u>0</u> <u>210</u> (D.F.)	
ELEVATION <u>867'</u> (GROUND) _____ (K.B.)			
OPERATIONAL DATES COMMENCED <u>8-3-2005</u> COMPLETED <u>10-3-2005</u> PLACED IN OPERATION <u>10-7-2005</u> PLUGGED _____ SHUT-IN _____		WELL TREATMENT TYPE OF FRAC. SHOT TYPE SHOT _____ SHOT INTERVAL _____ SHOT AMOUNT _____	
DRILLING CONTRACTOR NAME <u>Jimmy Reliford Drilling Co.</u> ADDRESS <u>P. O. Box 609</u> <u>Columbia, KY 42728</u>		COMPLETION INTERVAL PERFORMANCES OR OPEN HOLE FORMATION <u>Keefer Sand</u> INTERVAL <u>1272-1321'</u> FORMATION _____ INTERVAL _____ PLUGGED _____ SHUT-IN _____	
WATER ENCOUNTERED (FRESH, SALT, SULFUR) TYPE FROM TO <u>Fresh</u> <u>@ 330'</u> _____ <u>Salt</u> <u>@ 1240'</u> _____ _____ _____ _____ COMMENTS _____		TREATMENT TYPE OF TREATMENT <u>Sand Fracture</u> ACID AMOUNT <u>12</u> BBLS. _____ 2ND STAGE BBLS. _____ TOTAL FLUID <u>296</u> BBLS. _____ 2ND STAGE BBLS. _____ TOTAL NITROGEN _____ SCF TOTAL SAND <u>15,000</u> LBS _____ ADDITIONAL CEMENTING SQUEEZE CEMENT _____ SKS. _____ TOP _____ INTERVAL _____ PLUG BACK _____ SKS. _____ TOP _____ INTERVAL _____	
GEOPHYSICAL LOGS RUN (AS REQUIRED BY KRS 353.550(2)) (ELECTRICAL, INDUCTION, SONIC, GAMMA RAY, NEUTRON, DENSITY, ETC.) TYPE FROM TO <u>GR-Dens.-Neutr.</u> <u>0'</u> <u>1431'</u> <u>GR-CCL-CBL</u> <u>0'</u> <u>1404'</u> _____ _____ _____ TOTAL DEPTH DRILLED <u>1456'</u> (AS REQUIRED BY KRS 353.570)		INITIAL TEST VOLUMES OIL: NATURAL <u>Show of oil</u> B/D <u>8-5-2005</u> DATE AFTER TREATMENT <u>10</u> B/D <u>10-17-2005</u> DATE GAS: NATURAL _____ MCF _____ DATE AGAINST BACKPRESSURE OF _____ PSI SHUT-IN PRESSURE _____ AFTER _____ HOURS AFTER TREATMENT _____ MCF _____ DATE AGAINST BACKPRESSURE OF _____ PSI SHUT-IN PRESSURE _____ AFTER _____ HOURS	
CASING DATA CASING OUTSIDE DIAMETER HOLE DIAMETER DEPTH CEMENT NO. SKS. PULLED YES/NO <u>7"</u> <u>8-3/4"</u> <u>21'</u> <u>-</u> <u>No</u> <u>4-1/2"</u> <u>6-1/4"</u> <u>1415'</u> <u>150</u> <u>No</u> _____ _____ _____ CEMENT YIELD IN CUBIC FEET/SACK <u>1.18</u> COMMENTS <u>Cement circulated to surface.</u>		LIST DST'S, CORES, FILL-UP TESTS AND OTHER SPECIALIZED TESTS TYPE FROM _____ _____ _____ _____ _____	

FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)	FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)
0	94	Sand			
94	182	Shale, Sand			
182	335	Sand			
335	393	Shale, lime, sand			
393	417	Little Lime			
417	420	Shale			
420	516	Big Lime			
516	1007	Shale			
1007	1187	New Albany Shale			
1187	1199	Duffin			
1199	1216	Shale			
1216	1268	Lockport Formation			
1268	1323	Keefer Sand			
1323	TD	Shale			
		DTD 1456' LTD 1431'			

AFFIDAVIT

Triad Resources, Inc., OPERATOR OF THE WELL CAPTIONED AS
ERMIT NUMBER _____ DOES HEREBY SWEAR THAT THE DEPTH OF THE WELL IS ACCURATE
AND CORRECT AND DOES NOT EXCEED THE PERMITTED DEPTH OF 1,600 ft.

IGNATURE OF OPERATOR _____ **President**
TITLE _____ **DATE** _____

WORN TO AND SUBSCRIBED BEFORE ME THIS _____ DAY OF _____, 20 ____.

NOTARY PUBLIC

MY COMMISSION EXPIRES:



(TYPE OR PRINT IN INK)

OPERATOR'S PHONE: 740-374-2940

WELL IDENTIFICATION PERMIT NO. <u>97887</u> OPERATOR <u>Triad Resources, Inc.</u> FARM NAME <u>Minnie Hill</u> WELL NO. <u>13</u>		TYPE OF COMPLETION (CHECK ONE) DRY HOLE..... <input type="checkbox"/> OIL..... <input checked="" type="checkbox"/> GAS..... <input type="checkbox"/> DOMESTIC GAS..... <input type="checkbox"/> ENHANCED RECOVERY: _____ SERVICE WELL: _____ WATER INJECTION..... <input type="checkbox"/> WATER SUPPLY..... <input type="checkbox"/> GAS INJECTION..... <input type="checkbox"/> SALT WATER DISPOSAL..... <input type="checkbox"/> GAS STORAGE: _____ OBSERVATION..... <input type="checkbox"/> INJECTION-EXTRACTION..... <input type="checkbox"/> OTHER..... <input type="checkbox"/> OTHER DESCRIBE _____	
TYPE OF OPERATION TWIN..... <input type="checkbox"/> REOPEN..... <input type="checkbox"/> NEW WELL..... <input checked="" type="checkbox"/> WORKOVER..... <input type="checkbox"/> DEEPENING..... <input type="checkbox"/>		LOCATION COUNTY <u>Lee</u> SEC <u>13</u> LTR <u>N</u> NO. <u>71</u> <u>720'</u> <input type="checkbox"/> FNL <u>780'</u> <input checked="" type="checkbox"/> FEL <input type="checkbox"/> FSL <input type="checkbox"/> FWL	
ELEVATION <u>893'</u> (GROUND) _____ (D.F.) _____ (K.B.) _____		WELL TREATMENT TYPE OF FRAC. _____ SHOT _____ TYPE SHOT _____ SHOT INTERVAL _____ SHOT AMOUNT _____	
OPERATIONAL DATES COMMENCED <u>10/24/2005</u> COMPLETED <u>11/21/2005</u> PLACED IN OPERATION <u>12/22/05</u> PLUGGED _____ SHUT-IN _____		COMPLETION INTERVAL PERFORMANCES OR OPEN HOLE FORMATION <u>Keefer Sand</u> INTERVAL <u>1295-1340'</u> FORMATION _____ INTERVAL _____ PLUGGED _____ SHUT-IN _____	
DRILLING CONTRACTOR NAME <u>Jimmy Reliford Drilling Co.</u> ADDRESS <u>P. O. Box 609</u> <u>Columbia, KY 42728</u>		TREATMENT TYPE OF TREATMENT <u>Sand Fracture</u> ACID AMOUNT <u>12</u> BBLS _____ 2ND STAGE _____ BBLS TOTAL FLUID <u>275</u> BBLS _____ 2ND STAGE _____ BBLS TOTAL NITROGEN _____ SCF TOTAL SAND <u>16,700</u> LBS	
WATER ENCOUNTERED (FRESH, SALT, SULFUR) TYPE <u>Salt</u> FROM <u>1220'</u> TO _____ _____ _____ _____ COMMENTS _____		ADDITIONAL CEMENTING SQUEEZE CEMENT _____ SKS. _____ TOP _____ INTERVAL _____ PLUG BACK _____ SKS. _____ TOP _____ INTERVAL _____	
GEOPHYSICAL LOGS RUN (AS REQUIRED BY KRS 353.550(2)) (ELECTRICAL, INDUCTION, SONIC, GAMMA RAY, NEUTRON, DENSITY, ETC.) TYPE FROM TO <u>GR-Dens.-Neutr.</u> <u>0'</u> <u>1434'</u> <u>GR/CCI/CBL/VDL</u> <u>0'</u> <u>1413'</u> _____ _____ _____		INITIAL TEST VOLUMES OIL: NATURAL _____ B/D _____ DATE _____ AFTER TREATMENT <u>10</u> B/D <u>01/03/2006</u> DATE _____ GAS: NATURAL _____ MCF _____ DATE _____ AGAINST BACKPRESSURE OF _____ PSI SHUT-IN PRESSURE _____ AFTER _____ HOURS AFTER TREATMENT _____ MCF _____ DATE _____ AGAINST BACKPRESSURE OF _____ PSI SHUT-IN PRESSURE _____ AFTER _____ HOURS	
TOTAL DEPTH DRILLED <u>1450'</u> (AS REQUIRED BY KRS 353.570)		LIST DST'S, CORES, FILL-UP TESTS AND OTHER SPECIALIZED TESTS TYPE FROM _____ _____ _____ _____	
CASING DATA CASING OUTSIDE DIAMETER HOLE DIAMETER DEPTH CEMENT NO. SKS. PULLED YES/NO <u>7"</u> <u>8-3/4"</u> <u>21'</u> <u>0</u> <u>No</u> <u>4-1/2"</u> <u>6-1/4"</u> <u>1412'</u> <u>150</u> <u>No</u> _____ _____ _____			
CEMENT YIELD IN CUBIC FEET/SACK = <u>1.18</u> COMMENTS <u>Cement circulated to surface.</u>			

THIS FORM MUST BE COMPLETED AND FILLED FOR EVERY PERMIT IMMEDIATELY AFTER COMPLETION OF THE WELL. RE-OPENED WELLS NEED NOT INCLUDE A DRILLER'S LOG. HOWEVER, THE FRONT SIDE OF THIS FORM MUST BE COMPLETED. INCOMPLETE FORMS WILL BE REJECTED.

FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)		F.	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)	
0	50	Shale					
50	102	Sand					
102	220	Shale and Sand					
220	332	Sand					
332	409	Shale and Sand					
409	433	Little Lime					
433	436	Shale					
436	534	Big Lime					
534	1028	Shale					
1028	1206	New Albany Shale					
1206	1218	Lime					
1218	1234	Shale					
1234	1289	Lockport Formation					
1289	1346	Keefer Sand					
1346	TD	Shale					
		DTD 1450'					
		LTD 1434'					

AFFIDAVIT

Triad Resources, Inc., OPERATOR OF THE WELL CAPTIONED AS:
PERMIT NUMBER 97887 DOES HEREBY SWEAR THAT THE DEPTH OF THE WELL IS ACCURATE
AND CORRECT AND DOES NOT EXCEED THE PERMITTED DEPTH OF 1,600 ft.

SIGNATURE OF OPERATOR _____ **President**
TITTLE DATE

SWORN TO AND SUBSCRIBED BEFORE ME THIS _____ DAY OF _____, 20 ____.

NOTARY PUBLIC

MY COMMISSION EXPIRES:



(TYPE OR PRINT IN INK)

OPERATOR'S PHONE: 740-374-2940

WELL IDENTIFICATION PERMIT NO. 97745 OPERATOR <u>Triad Resources, Inc.</u> FARM NAME <u>Minnie Hill</u> WELL NO. 14		TYPE OF COMPLETION (CHECK ONE) DRY HOLE..... <input type="checkbox"/> OIL..... <input checked="" type="checkbox"/> GAS..... <input type="checkbox"/> DOMESTIC GAS..... <input type="checkbox"/> ENHANCED RECOVERY: WATER INJECTION..... <input type="checkbox"/> SERVICE WELL: WATER SUPPLY..... <input type="checkbox"/> GAS INJECTION..... <input type="checkbox"/> SALT WATER DISPOSAL..... <input type="checkbox"/> GAS STORAGE: OBSERVATION..... <input type="checkbox"/> INJECTION-EXTRACTION..... <input type="checkbox"/> OTHER..... <input type="checkbox"/> OTHER DESCRIBE _____	
TYPE OF OPERATION TWIN..... <input type="checkbox"/> REOPEN..... <input type="checkbox"/> NEW WELL..... <input checked="" type="checkbox"/> WORKOVER..... <input type="checkbox"/> DEEPENING..... <input type="checkbox"/>		LOCATION COUNTY <u>Lee</u> SEC. 13, LTR. N, NO. 71 740' <input type="checkbox"/> FNL <input checked="" type="checkbox"/> FEL 1250' <input type="checkbox"/> FWL (D.F.)	
ELEVATION 867' (GROUND) _____ (K.B.)		WELL TREATMENT TYPE OF FRAC. SHOT TYPE SHOT _____ SHOT INTERVAL _____ SHOT AMOUNT _____	
OPERATIONAL DATES COMMENCED 10/31/2005 COMPLETED 11/21/2005 PLACED IN OPERATION 12/12/2005 PLUGGED _____ SHUT-IN _____		COMPLETION INTERVAL PERFORMANCES OR OPEN HOLE FORMATION <u>Keefer Sand</u> INTERVAL 1256-1292' FORMATION _____ INTERVAL _____ PLUGGED _____ SHUT-IN _____	
DRILLING CONTRACTOR NAME <u>Jimmy Reliford Drilling Co.</u> ADDRESS <u>P. O. Box 609</u> <u>Columbia, KY 42728</u>		TREATMENT TYPE OF TREATMENT <u>Sand Fracture</u> ACID AMOUNT 12 BBLS 2ND STAGE BBLS TOTAL FLUID 304 BBLS 2ND STAGE BBLS TOTAL NITROGEN _____ SCI TOTAL SAND 14,500 LB	
WATER ENCOUNTERED (FRESH, SALT, SULFUR) TYPE FROM TO <u>Fresh</u> 147' _____ _____ _____ _____ COMMENTS _____		ADDITIONAL CEMENTING SQUEEZE CEMENT _____ SKS _____ TOP _____ PLUG BACK _____ SKS _____ TOP _____ INTERVAL	
GEOPHYSICAL LOGS RUN (AS REQUIRED BY KRS 353.550(2)) (ELECTRICAL, INDUCTION, SONIC, GAMMA RAY, NEUTRON, DENSITY, ETC.) TYPE FROM TO <u>GR-Dens.-Neutr.</u> 0' 1428' <u>GR-CCL-CBL-VDL</u> 0' 1413' _____ _____ _____ TOTAL DEPTH DRILLED 1420' (AS REQUIRED BY KRS 353.570)		INITIAL TEST VOLUMES OIL: NATURAL _____ B/D _____ DATE AFTER TREATMENT 10 B/D 12/19/2005 DATE GAS: NATURAL _____ MCF _____ DATE AGAINST BACKPRESSURE OF _____ PSI SHUT-IN PRESSURE _____ AFTER _____ HOURS AFTER TREATMENT _____ MCF _____ DATE AGAINST BACKPRESSURE OF _____ PSI SHUT-IN PRESSURE _____ AFTER _____ HOURS	
CASING DATA CASING OUTSIDE DIAMETER HOLE DIAMETER DEPTH CEMENT NO. SKS PULLED YES/NO 7" 8-3/4" 21' 0 No 4-1/2" 6-1/4" 1412' 150 No _____ _____ _____ CEMENT YIELD IN CUBIC FEET/SACK = 1.18 COMMENTS _____		LIST DST'S, CORES, FILL-UP TESTS AND OTHER SPECIALIZED TESTS TYPE FROM _____ _____ _____ _____	
Cement circulated to surface.			

FROM	J	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)	FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)
0	101	Sand			
101	180	Shale			
180	330	Sand and Shale			
330	342	Sand			
342	373	Sand and Shale			
373	396	Little Lime			
396	400	Shale			
400	497	Big Lime			
497	986	Shale			
986	1167	New Albany Shale			
1167	1180	Lime			
1180	1197	Shale			
1197	1252	Lockport Formation			
1252	1308	Keefer Sand			
1308	TD	Shale			
		DTD 1420'			
		LTD 1428'			

AFFIDAVIT

Triad Resources, Inc., OPERATOR OF THE WELL CAPTIONED AS
 PERMIT NUMBER 97745 DOES HEREBY SWEAR THAT THE DEPTH OF THE WELL IS ACCURATE
 AND CORRECT AND DOES NOT EXCEED THE PERMITTED DEPTH OF 1,600 ft.

SIGNATURE OF OPERATOR _____ President
 TITLE DATE

SWORN TO AND SUBSCRIBED BEFORE ME THIS _____ DAY OF _____, 20____.

COMMISSION EXPIRES:

NOTARY PUBLIC



(TYPE OR PRINT IN INK)

OPERATOR'S PHONE: 740-374-2940

WELL IDENTIFICATION PERMIT NO. 97453 OPERATOR <u>Triad Resources, Inc.</u> FARM NAME <u>Minnie Hill</u> WELL NO. <u>15</u>		TYPE OF COMPLETION (CHECK ONE) DRY HOLE..... <input type="checkbox"/> OIL..... <input checked="" type="checkbox"/> GAS..... <input type="checkbox"/> DOMESTIC GAS..... <input type="checkbox"/> ENHANCED RECOVERY: WATER INJECTION..... <input type="checkbox"/> GAS INJECTION..... <input type="checkbox"/> GAS STORAGE: INJECTION-EXTRACTION..... <input type="checkbox"/> OTHER DESCRIBE _____	
TYPE OF OPERATION TWIN..... <input type="checkbox"/> REOPEN..... <input type="checkbox"/> NEW WELL..... <input checked="" type="checkbox"/> WORKOVER..... <input type="checkbox"/> DEEPENING..... <input type="checkbox"/>		LOCATION COUNTY <u>Lee</u> SEC. <u>13</u> LTR. <u>N</u> NO. <u>71</u> 60' <input type="checkbox"/> FNL 1545' <input checked="" type="checkbox"/> FEL <input checked="" type="checkbox"/> FSL <input type="checkbox"/> FWL	
ELEVATION <u>969'</u> (GROUND) (D.F.) (K.B.)		WELL TREATMENT TYPE OF FRAC. SHOT TYPE SHOT _____ SHOT INTERVAL _____ SHOT AMOUNT _____	
OPERATIONAL DATES COMMENCED <u>10/11/2005</u> COMPLETED <u>10/31/2005</u> PLACED IN OPERATION <u>3/27/2006</u> PLUGGED _____ SHUT-IN _____		COMPLETION INTERVAL PERFORMANCES OR OPEN HOLE FORMATION <u>Keefer Sand</u> INTERVAL <u>1351-1394'</u> FORMATION _____ INTERVAL _____ PLUGGED _____ SHUT-IN _____	
WATER ENCOUNTERED (FRESH, SALT, SULFUR) TYPE FROM TO <u>Fresh</u> <u>170'</u> _____ <u>Salt</u> <u>1273'</u> _____ _____ _____ _____ COMMENTS _____		TREATMENT TYPE OF TREATMENT <u>Sand Fracture</u> ACID AMOUNT <u>12</u> BBLS. 2ND STAGE BBLS. TOTAL FLUID <u>321</u> BBLS. 2ND STAGE BBLS. TOTAL NITROGEN _____ SCF TOTAL SAND <u>14,300</u> LBS	
GEOPHYSICAL LOGS RUN (AS REQUIRED BY KRS 353.550(2)) (ELECTRICAL, INDUCTION, SONIC, GAMMA RAY, NEUTRON, DENSITY, ETC.) TYPE FROM TO <u>GR-Dens.-Neutr.</u> <u>0'</u> <u>1554'</u> <u>GR/CCL/CBL/VDL</u> <u>0'</u> <u>1508'</u> _____ _____ _____ TOTAL DEPTH DRILLED <u>1530' (DTD)</u> (AS REQUIRED BY KRS 353.570)		ADDITIONAL CEMENTING SQUEEZE CEMENT _____ SKS. TOP _____ INTERVAL PLUG BACK _____ SKS. TOP _____ INTERVAL	
CASING DATA CASING OUTSIDE DIAMETER HOLE DIAMETER DEPTH CEMENT NO. SKS. PULLED YES/NO <u>7"</u> <u>8-3/4"</u> <u>21'</u> <u>0</u> <u>No</u> <u>4-1/2"</u> <u>6-1/4"</u> <u>1511'</u> <u>140</u> <u>No</u> _____ _____ _____ CEMENT YIELD IN CUBIC FEET/SACK <u>1.18</u> COMMENTS <u>Cement circulated to surface.</u>		INITIAL TEST VOLUMES OIL: NATURAL _____ B/D _____ DATE AFTER TREATMENT <u>10</u> B/D <u>4/6/2006</u> DATE GAS: NATURAL _____ MCF _____ DATE AGAINST BACKPRESSURE OF _____ PSI SHUT-IN PRESSURE _____ AFTER _____ HOURS AFTER TREATMENT _____ MCF _____ DATE AGAINST BACKPRESSURE OF _____ PSI SHUT-IN PRESSURE _____ AFTER _____ HOURS	
		LIST DST'S, CORES, FILL-UP TESTS AND OTHER SPECIALIZED TESTS TYPE FROM _____ _____ _____ _____	

FROM	J	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)	FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)
0	16	Sand			
16	108	Shale			
108	208	Sand			
208	256	Shale			
256	394	Shale and Sand			
394	431	Shale			
431	480	Shale and Sand			
480	504	Little Lime			
504	508	Shale			
508	604	Big Lime			
604	1094	Shale			
1094	1271	New Albany Shale			
1271	1284	Lime			
1284	1302	Shale			
1302	1348	Lockport Formation			
1348	1404	Keefer Sand			
1404	TD	Shale			
		DTD 1530'			
		LTD 1554'			

AFFIDAVIT

Triad Resources, Inc., OPERATOR OF THE WELL CAPTIONED AS
PERMIT NUMBER 97453 DOES HEREBY SWEAR THAT THE DEPTH OF THE WELL IS ACCURATE
AND CORRECT AND DOES NOT EXCEED THE PERMITTED DEPTH OF 1,600 ft.

SIGNATURE OF OPERATOR _____ President
TITLE DATE

SWORN TO AND SUBSCRIBED BEFORE ME THIS _____ DAY OF _____, 20____.

MY COMMISSION EXPIRES: _____ NOTARY PUBLIC

TYPE	FROM
------	------

FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED / AND RECORD OCCURRENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)	FE	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURRENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)
0	22	Shale			
22	111	Sand			
111	170	Shale			
170	314	Sand			
314	403	Shale			
403	427	Little Lime			
427	431	Shale			
431	527	Big Lime			
527	1017	Shale			
1017	1196	New Albany Shale			
1196	1209	Lime			
1209	1226	Shale			
1226	1274	Lockport Formation			
1274	1330	Keefer Sand			
1330	TD	Shale			
		DTD 1466'			
		LTD 1473'			

AFFIDAVIT

Triad Resources, Inc., OPERATOR OF THE WELL CAPTIONED AS
PERMIT NUMBER 97454 DOES HEREBY SWEAR THAT THE DEPTH OF THE WELL IS ACCURATE
AND CORRECT AND DOES NOT EXCEED THE PERMITTED DEPTH OF 1,600 ft.

SIGNATURE OF OPERATOR _____ **President**
TITLE DATE

SWORN TO AND SUBSCRIBED BEFORE ME THIS _____ DAY OF _____, 20____.

MY COMMISSION EXPIRES: _____

NOTARY PUBLIC

ATTACHMENT E
NAME AND DEPTH OF USDW's
MINNIE HILL #1-D

Underground Sources of Drinking Waters:

Upper Member of Breathitt Formation (Pennsylvanian):

0' – 175' (Fresh Water Zone)

ATTACHMENT G
GEOLOGIC DATA ON THE
INJECTION AND CONFINING ZONES

MINNIE HILL #1-D

- I. Injection Zone:
 - a. Geologic Name: Rose Run Sand and Copper Ridge Dolomite
 - b. Lithologic Description: Dolomitic Sandstone
 - c. Thickness: 114 Feet
 - d. Depth: 4,345' to 4,459'

- II. Upper Confining Zone:
 - a. Geologic Name: Knox Dolomite
 - b. Lithologic Description: Massive Dolomite
 - c. Thickness: 885 Feet
 - d. Depth: 3,460' to 4,345'

- III. Lower Confining Zone:
 - a. Geologic Name: Copper Ridge Dolomite
 - b. Lithologic Description: Massive Dolomite
 - c. Thickness: 111 feet
 - d. Depth: 4,459' to 4,570' (total depth this well)

ATTACHMENT H

OPERATING DATA

MINNIE HILL #1-D

1. Average Daily Rate of Fluid to be Injected: 29.1 gal./min.
2. Maximum Daily Rate of Fluid to be Injected: 58.3 gal./min.
3. Average Daily Volume of Fluid to be Injected: 1,000 Bbls./Day
4. Maximum Daily Volume of Fluid to be Injected: 2,000 Bbls./Day ✓
5. Average Injection Pressure: 1,400 psi
6. Maximum Injection Pressure: 1,500 psi ✓
7. Fracture Pressure of Formation = Fracture Gradient x Depth
= .9 psi/ft. (fracture gradient) x 4,402' (mid-perforations)
= 3,962 psi
8. Maximum Bottom Hole Pressure = Hydrostatic Head + Pump Pressure at Surface
= (0.052) (9.16) (4,402') + 1,500 psi (Note: Sg of fluid = 9.16 lb/gal.)
= 3,596 psi
9. Margin of Safety Between Fracture Pressure and BHP:
= 3,962 psi - 3,596 psi
= 366 psi
10. Nature of Annulus Fluid:
Fresh Water w/ Corrosion Inhibitor ✓
11. Pressure at which Annulus will be maintained: ✓
0 - 100 psig at surface
12. Source and analysis of the physical and chemical characteristics of the injection fluid:
Injection fluid to be recovered from separators of producing leases of Triad Resources, Inc. Analysis of water samples are attached with the proposed chemical additives.



McCoy & McCoy Laboratories, Inc.

P. O. Box 907

Madisonville, KY 42431

www.mccoyslabs.com

Lexington KY

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Madisonville KY

270-821-7375

Paducah KY

270-444-6547

Pikeville KY

606-432-3104

D.Wolfe@mccoyslabs.com

Triad Resources Inc

Attn: Kean Weaver

P O Box 430

Reno OH 45773

Batch #: 08031179

Received: 03/14/2008

Reported: 04/02/2008

Client: TR7950

Page: 1 of 3

Analysis Report

AF85089 Gillum G-1A Collected: 3/13/2008

Chloride - Sample diluted 1000X to bring within calibration range. Analyzed according to EPA 325.2. MTC

Test Description	Analyzed	By	Method	Result	Units	Report Limit	Note
Chloride by IC Mdv	04/01/2008	MTC	EPA 300.0	83500 D	mg/l	100	
Total Dissolved Solids Mdv	03/25/2008	DRM	SM 2540 C	161000	mg/l	1	✓
Specific Gravity Mdv	03/31/2008	AWC	SM 2710 F	1.100	@25 C		✓

AF85090 James Morgan #10 Collected: 3/13/2008

Chloride - Sample diluted 1000X to bring within calibration range. Analyzed according to EPA 325.2. MTC

Test Description	Analyzed	By	Method	Result	Units	Report Limit	Note
Chloride by IC Mdv	04/01/2008	MTC	EPA 300.0	93900 D	mg/l	100	
Total Dissolved Solids Mdv	03/25/2008	DRM	SM 2540 C	204000	mg/l	1	
Specific Gravity Mdv	03/31/2008	AWC	SM 2710 F	1.130	@25 C		

AF85091 Richard Browning #2 Collected: 3/13/2008

Chloride - Sample diluted 10,000X to bring within calibration range. Analyzed according to EPA 325.2. MTC

Test Description	Analyzed	By	Method	Result	Units	Report Limit	Note
Chloride by IC Mdv	04/01/2008	MTC	EPA 300.0	115000 D	mg/l	1000	
Total Dissolved Solids Mdv	03/25/2008	DRM	SM 2540 C	217000	mg/l	1	
Specific Gravity Mdv	03/31/2008	AWC	SM 2710 F	1.130	@25 C		

AF85092 Richard Browning #1 Collected: 3/13/2008

Chloride - Sample diluted 10,000X to bring within calibration range. Analyzed according to EPA 325.2. MTC

Test Description	Analyzed	By	Method	Result	Units	Report Limit	Note
Chloride by IC Mdv	04/01/2008	MTC	EPA 300.0	128000 D	mg/l	1000	
Total Dissolved Solids Mdv	03/25/2008	DRM	SM 2540 C	215000	mg/l	1	
Specific Gravity Mdv	03/31/2008	AWC	SM 2710 F	1.130	@25 C		

Waters injected into the Minnie Hill 1-D will be similar to that injected into the Browning #1&2, Morgan #10, Seale #S-4 and Cundiff #C-4.



McCoy & McCoy Laboratories, Inc.

P. O. Box 907

Madisonville, KY 42431

www.mccoyslabs.com



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D.Wolfe@mccoyslabs.com

Paducah KY

270-444-6547

Pikeville KY

606-432-3104

Triad Resources Inc

Attn: Kean Weaver

P O Box 430

Reno OH 45773

Batch #: 08031179

Received: 03/14/2008

Reported: 04/02/2008

Client: TR7950

Page: 2 of 3

Analysis Report

AF85093 Lucy Cundiff #C-4 Collected: 3/13/2008

Chloride - Sample diluted 1000X to bring within calibration range. Analyzed according to EPA 325.2. MTC

Test Description	Analyzed	By	Method	Result	Units	Report Limit	Note
Chloride by IC Mdv	04/01/2008	MTC	EPA 300.0	57300 D	mg/l	100	
Total Dissolved Solids Mdv	03/25/2008	DRM	SM 2540 C	212000	mg/l	1	
Specific Gravity Mdv	03/31/2008	AWC	SM 2710 F	1.130	@25 C		

AF85094 Sam Seale #S-4 Collected: 3/13/2008

Chloride - Sample diluted 10,000X to bring within calibration range. Analyzed according to EPA 325.2. MTC

Test Description	Analyzed	By	Method	Result	Units	Report Limit	Note
Chloride by IC Mdv	04/01/2008	MTC	EPA 300.0	108000 D	mg/l	1000	
Total Dissolved Solids Mdv	03/25/2008	DRM	SM 2540 C	210000	mg/l	1	
Specific Gravity Mdv	03/31/2008	AWC	SM 2710 F	1.130	@25 C		

AF85095 Bill Abner #31 Collected: 3/13/2008

Chloride - Sample diluted 1000X to bring within calibration range. Analyzed according to EPA 325.2. MTC

Test Description	Analyzed	By	Method	Result	Units	Report Limit	Note
Chloride by IC Mdv	04/01/2008	MTC	EPA 300.0	59900 D	mg/l	100	
Total Dissolved Solids Mdv	03/25/2008	DRM	SM 2540 C	93100	mg/l	1	
Specific Gravity Mdv	03/31/2008	AWC	SM 2710 F	1.060	@25 C		

AF85096 John Roe #24 Collected: 3/13/2008

Chloride - Sample diluted 1000X to bring within calibration range. Analyzed according to EPA 325.2. MTC

Test Description	Analyzed	By	Method	Result	Units	Report Limit	Note
Chloride by IC Mdv	04/01/2008	MTC	EPA 300.0	80300 D	mg/l	100	
Total Dissolved Solids Mdv	03/25/2008	DRM	SM 2540 C	187000	mg/l	1	
Specific Gravity Mdv	03/31/2008	AWC	SM 2710 F	1.120	@25 C		

**McCoy & McCoy Laboratories, Inc.**

P. O. Box 907

Madisonville, KY 42431

www.mccoyslabs.com

Lexington KY

859-299-7775

Madisonville KY

270-821-7375

Paducah KY

270-444-6547

Pikeville KY

606-432-3104

D.Wolfe@mccoyslabs.com

Triad Resources Inc

Attn: Kean Weaver

P O Box 430

Reno OH 45773

Batch #: 08031179

Received: 03/14/2008

Reported: 04/02/2008

Client: TR7950

Page: 3 of 3

Analysis Report

AF85097 John Roe #25 Collected: 3/13/2008

Chloride - Sample diluted 1000X to bring within calibration range. Analyzed according to EPA 325.2. MTC

Test Description	Analyzed	By	Method	Result	Units	Report Limit	Note
Chloride by IC Mdv	04/01/2008	MTC	EPA 300.0	91500 D	mg/l	100	
Total Dissolved Solids Mdv	03/25/2008	DRM	SM 2540 C	191000	mg/l	1	
Specific Gravity Mdv	03/31/2008	AWC	SM 2710 F	1.120	@25 C		

AF85098 John Roe #26 Collected: 3/13/2008

Chloride - Sample diluted 1000X to bring within calibration range. Analyzed according to EPA 325.2. MTC

Test Description	Analyzed	By	Method	Result	Units	Report Limit	Note
Chloride by IC Mdv	04/01/2008	MTC	EPA 300.0	69100 D	mg/l	100	
Total Dissolved Solids Mdv	03/25/2008	DRM	SM 2540 C	194000	mg/l	1	
Specific Gravity Mdv	03/31/2008	AWC	SM 2710 F	1.120	@25 C		

Sample Qualifier Legend

D.- Results reported from dilution.

Submitted By:

Doug Wolfe, Director of Laboratory Services

The analyses reported above have been determined by protocols that meet or exceed the requirements of NELAP. Methods listed with an "" are not part of this accreditation. Call Doug Wolfe at 270-821-7375 for any questions concerning this analysis report.

OK
wm
8/13/08

ATTACHMENT K
INJECTION PROCEDURES
MINNIE HILL #1-D

Produced salt water will be gathered near the well site in 210 Bbl. Tanks. The tank battery will be diked, and the dike will be lined with a 20 mil PVC liner.

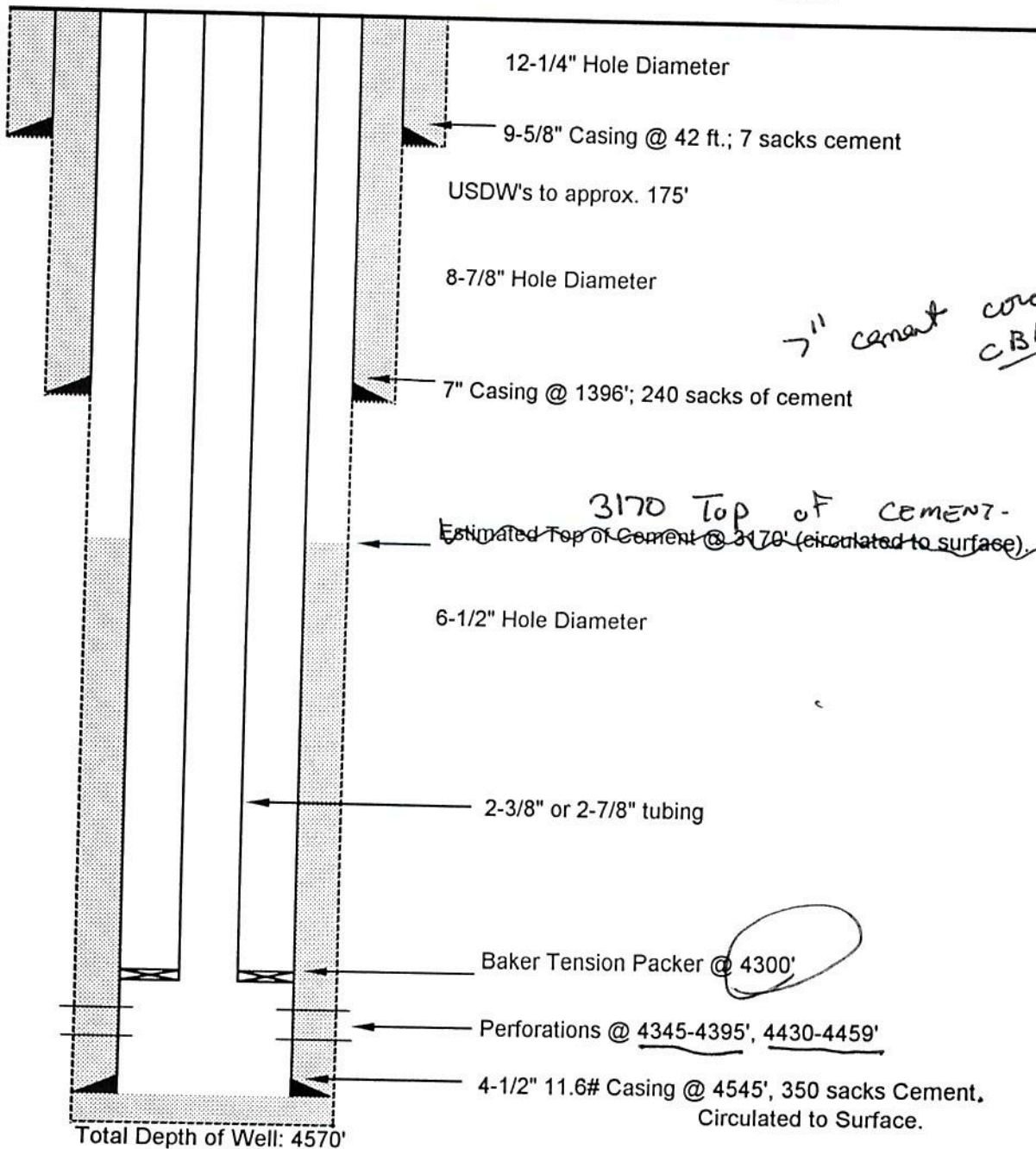
A pump house will be established near the tank. Inside the pump house, we will have automatic switches sensing the water level in the tank and injection pressure into the well, automatically starting and stopping the pump whenever necessary.

A 3-inch plastic suction line will be fed to the pump and then either coated metal piping, fiberglass piping, or high-pressure flexible hose will be used to connect the wellhead with a water meter to be used at the wellhead. A filtering system will also be used on the discharge side of the pump. Shut-off valves will be placed at the wellhead and at the discharge side of the pump.

ATTACHMENT M
CONSTRUCTION DETAILS
MINNIE HILL #1-D

Ground Elevation 901'
 5,000# Tubing Head @ Surface

 - Cement



*7" cement core to surface
 CBL won
 8/13/08*

*3170 Top of CEMENT - CBL
 Estimated Top of Cement @ 3170' (circulated to surface) won
 8/13/08*

ATTACHMENT O
PLANS FOR WELL FAILURE
MINNIE HILL #1-D

Should this well malfunction while being used as an injection well, all producing wells sending fluids to this well will be shut-in. If possible for the fluids to be diverted to another UIC-permitted injection well, the producing wells may then be re-started and fluids sent to the other well or wells.

This well would not be put back into operation until such time Triad Resources, Inc. is confident that USDW's are not threatened by its operation.

Subsequently, should it be determined that this well cannot be properly returned to injection operations, Triad Resources, Inc. will permanently send produced fluids to other UIC wells. This well would then be converted or plugged according to USEPA regulations.

ATTACHMENT P
MONITORING PROGRAM
MINNIE HILL #1-D

The following parameters will be monitored on a daily basis for this injection well:

- 1) Date
- 2) Tubing Pressure
- 3) Casing Pressure
- 4) Volume of fluid injected since last reading

ATTACHMENT Q
PLUGGING AND ABANDONMENT PLAN
MINNIE HILL #1-D

See attached EPA form 7520-14.



PLUGGING AND ABANDONMENT PLAN

Name and Address of Facility
Minnie Hill #1-D

Name and Address of Owner/Operator
Triad Resources, Inc.
27724 State Rt. 7 North, Marietta,
Ohio 45750

Locate Well and Outline Unit on
Section Plat - 640 Acres

State
Kentucky

County
Lee

Permit Number
KY PN 103152

Surface Location Description

1/4 of 1/4 of 1/4 of 1/4 of Section Township Range

Locate well in two directions from nearest lines of quarter section and drilling unit
Sec. 18-N-71, 516' fnl, 950' fel (Carter Coordinates)

Location ft. frm (N/S) Line of quarter section
and ft. from (E/W) Line of quarter section.

TYPE OF AUTHORIZATION

- ☒ Individual Permit
☐ Area Permit
☐ Rule

Number of Wells: 1

Lease Name
Minnie Hill

WELL ACTIVITY

- ☐ CLASS I
☒ CLASS II
☒ Brine Disposal
☐ Enhanced Recovery
☐ Hydrocarbon Storage
☐ CLASS III

Well Number 1-D

CASING AND TUBING RECORD AFTER PLUGGING

SIZE	WT (LB/FT)	TO BE PUT IN WELL (FT)	TO BE LEFT IN WELL (FT)	HOLE SIZE
9-5/8"	36.0	42'	42'	12-1/4"
7"	17.0	1396'	1396'	8-7/8"
4-1/2"	11.6	4545'	1445'	6-1/2"

METHOD OF EMPLACEMENT OF CEMENT PLUGS

- ☒ The Balance Method
☐ The Dump Bailer Method
☐ The Two-Plug Method
☐ Other

CEMENTING TO PLUG AND ABANDON DATA:

	PLUG #1	PLUG #2	PLUG #3	PLUG #4	PLUG #5	PLUG #6	PLUG #7
Size of Hole or Pipe in which Plug Will Be Placed (inches)	4-1/2"	7"	7"				
Depth to Bottom of Tubing or Drill Pipe (ft)	4545'	1500'	500'				
Sacks of Cement To Be Used (each plug)	50	50	50				
Slurry Volume To Be Pumped (cu. ft.)	59	59	59				
Calculated Top of Plug (ft.)	4011'	966'	Surf.				
Measured Top of Plug (if tagged ft.)	4000'	1000'	Surf.				
Slurry Wt. (Lb./Gal.)	15.6	15.6	15.6				
Type Cement or Other Material (Class III)	"A"	"A"	"A"				

LIST ALL OPEN HOLE AND/OR PERFORATED INTERVALS AND INTERVALS WHERE CASING WILL BE VARIED (if any)

From	To	From	To
4345'	4351'	4430'	4434'
4376'	4380'	4455'	4459'
4384'	4386'		
4390'	4395'		

Estimated Cost to Plug Wells

~~\$3,000.00~~ \$5800.00

Certification

I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32)

Name and Official Title (Please type or print)

Kean Weaver, President

Signature

Date Signed

7/3/08

ATTACHMENT R
NECESSARY RESOURCES
MINNIE HILL #1-D

IRREVOCABLE STANDBY LETTER OF CREDIT



U. S. Environmental Protection Agency
Underground Injection Control
Financial Responsibility Requirement

To: Regional Administrator

U. S. Environmental Protection Agency, Region 4, Atlanta, GA
61 Forsyth Street
Atlanta, GA 30303

Dear Sir or Madam:

We hereby establish our Irrevocable Standby Letter of Credit No. 7200112683 in your favor, at the request of the account of:

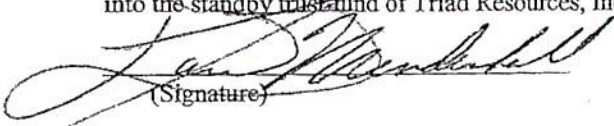
Triad Resources, Inc.
PO Box 430
Reno, OH 45773

up to the aggregate amount of Fifty-Three Thousand Two Hundred U. S. Dollars (\$53,200.00), available upon presentation of:

1. Your sight draft, bearing reference to this letter of credit No. 7200112683, and
2. Your signed statement reading as follows: "I certify that the amount of the draft is payable pursuant to regulations issued under authority of the safe Drinking Water Act."

This letter of credit is effective as of June 23, 2008 and shall expire on June 23, 2009, but such expiration date shall be automatically extended for a period of one year on June 23, 2009, and each successive expiration date, unless at least 120 days before the current expiration date, we notify both you and Triad Resources, Inc. by certified mail that we have decided not to extend this letter of credit beyond the current expiration date. In the event you are so notified, any unused portion of the credit shall be available upon presentation of your sight draft for 120 days after the date of receipt by both you and Triad Resources, Inc. as shown on the signed return receipts.

Whenever this letter of credit is drawn on under and in compliance with the terms of this credit, we shall duly honor such draft upon presentation to us, and we shall deposit the amount of the draft directly into the standby trust fund of Triad Resources, Inc. in accordance with your instructions.


(Signature)

June 27, 2008

(Date)
David L. Mendenhall
(Name)

Sr. Vice President
(Title)

This credit is subject to:

() the most recent addition of the Uniform Customs and Practice for Documentary Credits, published by the International Chamber of Commerce,

or

(X) the Uniform Commercial Code,

or

(X) the operation of this bank/institutions are regulated and examined by a State or Federal Agency.

WesBanco Bank, Inc.
Parkersburg Region
415 Market Street
P.O. Box 1427
Parkersburg, WV 26102-1427
(304) 480-2500

AMENDMENT TO SCHEDULE A

TRUST AGREEMENT DATED DECEMBER 17, 2004 BY AND BETWEEN TRIAD RESOURCES, INC. (OPERATOR) THE "GRANTOR" AND WESBANCO, INC. THE "TRUSTEE"

Identification of Facilities and Cost Estimate

EPA Identification Number	KYA PN 103152
Name of Facility	MINNIE HILL #1D
Address of Facility	Primrose Field
Current Plugging and Abandonment Cost estimate	\$5800.00
Date of Estimate	07/01/08

ATTACHMENT U
DESCRIPTION OF BUSINESS
MINNIE HILL #1-D

Triad Resources, Inc. is a corporation in the business of exploring for, developing, and producing oil and gas resources. The corporation operates oil and gas properties primarily in Ohio, West Virginia, and Kentucky.



United States Environmental Protection Agency
Washington, DC 20460

COMPLETION REPORT FOR BRINE DISPOSAL, HYDROCARBON STORAGE, OR ENHANCED RECOVERY

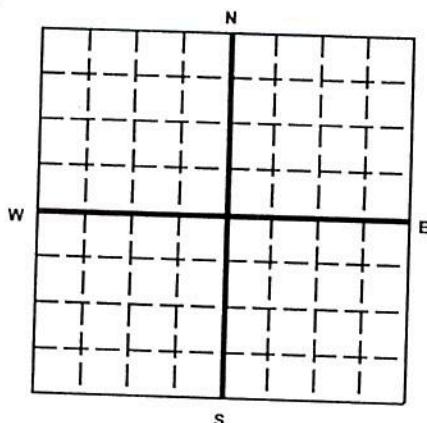
Name and Address of Existing Permittee

Triad Resources, Inc.
27724 State Rt. 7 North, Marietta, OH 45750

Name and Address of Surface Owner

Charles E. Hill
RR 3, Box 28 Beattyville, KY 41311

Locate Well and Outline Unit on
Section Plat - 640 Acres



State

Kentucky

County

Lee

Permit Number

KY PN 103152

Surface Location Description

1/4 of 1/4 of 1/4 of 1/4 of Section Township Range

Locate well in two directions from nearest lines of quarter section and drilling unit
Sec. 18-N-71, 516' fml, 950' fcl (Carter Coordinates)

Location ft. from (N/S) Line of quarter section
and ft. from (E/W) Line of quarter section.

WELL ACTIVITY

TYPE OF PERMIT

☒ Brine Disposal☒ Individual☐ Enhanced Recovery☐ Area☐ Hydrocarbon Storage

Number of Wells 1

Estimated Fracture Pressure
of Injection Zone

3,962 psi

Anticipated Daily Injection Volume (Bbls)

Injection Interval

Average

1,000

Maximum

2,000

Feet

4345'

to Feet

4459'

Anticipated Daily Injection Pressure (PSI)

Average

1,400 psi

Maximum

1,500 psi

Depth to Bottom of Lowermost Freshwater
Formation (Feet)

175'

Type of Injection Fluid (Check the appropriate block(s))

☒ Salt Water☐ Brackish Water☐ Fresh Water☐ Liquid Hydrocarbon☐ Other

Lease Name

Minnie Hill

Well Number

1-D

Name of Injection Zone

Rose Run Sand and Copper Ridge Dol.

Permeability of Injection Zone

Unknown

Porosity of Injection Zone

8 to 11%

CASING AND TUBING

CEMENT

HOLE

OD Size

Wt/Ft - Grade - New or Used

Depth

Sacks

Class

Depth

Bit Diameter

9-5/8"

36.0, J-55, New

42'

7

A

42'

12-1/4"

7"

17.0, J-55, New

1396'

240

A

1420'

8-7/8"

4-1/2"

11.6, J-55, New

4545'

350

Bcz + A

4570'

6-1/2"

INJECTION ZONE STIMULATION

WIRE LINE LOGS, LIST EACH TYPE

Interval Treated

Materials and Amount Used

Log Types

Logged Intervals

4430'-4459'

1000 gal. 28% HCl acid

GR/CCL/CBL/VOL

0-1373'

4345'-4395'

3000 gal. HCl, 95,000 #sand

GR/D/CN

0-4560'

GR/CCL/CBL/VOL

2250-4502'

Complete Attachments A -- E listed on the reverse.

Certification

I certify under the penalty of law that I have personally examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment. (Ref. 40 CFR 144.32)

Name and Official Title (Please type or print)

Kean Weaver, President

Signature

Date Signed

7/2/08



AFFIDAVIT OF WELL LOG
AND COMPLETION REPORT
AS REQUIRED BY LAW

(TYPE OR PRINT IN INK)

OPERATOR'S PHONE: 740-374-2940

WELL IDENTIFICATION

PERMIT NO. 103152

OPERATOR Triad Resources, Inc.

FARM NAME Minnie Hill WELL NO. 1-D

TYPE OF OPERATION

TWIN ☐ REOPEN ☐ NEW WELL ☒ WORKOVER ☐ DEEPENING ☐

LOCATION

COUNTY Lee

SEC. 18 LTR. N NO. 71

516' ☒ FNL 950' ☒ FEL

ELEVATION 901' (GROUND) (D.F.) (K.B.)

TYPE OF COMPLETION (CHECK ONE)

DRY HOLE ☐ OIL ☐ GAS ☐ DOMESTIC GAS ☐

ENHANCED RECOVERY:

WATER INJECTION ☐ GAS INJECTION ☐ SERVICE WELL:

WATER SUPPLY ☐ SALT WATER DISPOSAL ☒

GAS STORAGE:

INJECTION-EXTRACTION ☐ OBSERVATION ☐ OTHER ☐

OTHER DESCRIBE

OPERATIONAL DATES

COMMENCED 4-08-2008 COMPLETED 5-20-2008

PLACED IN OPERATION

PLUGGED SHUT-IN

DRILLING CONTRACTOR

NAME Alpha Drilling, Ltd.

ADDRESS P.O. Box 430

Reno, Ohio 45773

WELL TREATMENT TYPE OF FRAC. SHOT

TYPE SHOT

SHOT INTERVAL

SHOT AMOUNT

COMPLETION INTERVAL PERFORMANCES OR OPEN HOLE

FORMATION Rose Run INTERVAL 4345-4395'

FORMATION Copper Ridge INTERVAL 4430-4459'

PLUGGED SHUT-IN

TREATMENT

TYPE OF TREATMENT Water/Sand Fracture

ACID AMOUNT 79.8 BBLS. 2ND STAGE BBLS.

TOTAL FLUID 5,400 BBLS. 2ND STAGE BBLS.

TOTAL NITROGEN - SCF

WATER ENCOUNTERED (FRESH, SALT, SULFUR)

TYPE FROM TO

Salt 850'

Salt 4414'

NOTARY PUBLIC

ELIZABETH R. TEBAY, Notary Public
In and For the State of Ohio
My Commission Expires 2-28-11



MY COMMISSION EXPIRES:

SWORN TO AND SUBSCRIBED BEFORE ME THIS

SIGNATURE OF OPERATOR

TITLE

DAY OF

DATE

OPERATOR OF THE WELL CAPTIONED AS
DOES HEREBY SWEAR THAT THE DEPTH OF THE WELL IS ACCURATE
AND CORRECT AND DOES NOT EXCEED THE PERMITTED DEPTH OF 5,000'

PERMIT NUMBER 103152

FORMATION RECORD

FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)	FROM	TO	ROCK TYPE (DESCRIBE ROCK TYPES AND OTHER MATERIALS PENETRATED AND RECORD OCCURENCES OF OIL, GAS AND WATER FROM SURFACE TO TOTAL DEPTH.)
0	416	Sand and Shale			
416	440	Little Lime /			
440	444	Shale			
440	542	Big Lime			
542	1034	Waverly Shale			
1034	1047	Sunbury Shale			
1047	1069	Berea			
1069	1242	New Albany Shale			
1242	1290	Lockport Fm.			
1290	1344	Keefer Sand			
1344	1586	Clinton Shale			
1586	1642	Brassfield			
1642	2262	Richmond (Ordovician)			
2262	2622	Lexington LS			
2560	2564	Mud Cave			
2622	3350	Black River			
2639	2642	Pencil Cave			
3350	3448	Wells Creek			
3448	3460	St. Peter SS			
3460	4345	Beekmantown (Knox)			
4345	4395	Rose Run SS			
4395	T.D.	Copper Ridge			
		DTD 4570'			
		LTD 4560'			

Customer TRIAD RESOURCES INC		Job Number 2200563343							
Well Minnie Hill # 1-D 1-D		Location (Legal) Prestonsburg, KY							
Field		Schlumberger Location 2008-Apr-09							
Formation Name/Type Intermediate		Deviation							
County Lee		Oil Size 8.89 in							
State/Province Ky		Well MD 1,420 ft							
Well Number 0631011658		Well TVD 1,420 ft							
API / UWI		BHP psi							
BHT 70 °F		BMT 60 °F							
Pore Press. Gradient psi/ft									
Casing/Liner									
Rig Name	Drilled For Oil	Service Via Land	Depth, ft 1404						
Offshore Zone	Well Class New	Well Type Development	Size, in 7						
Weight, lbm 17		Grade Thread							
Tubing/Drill Pipe									
Drilling Fluid Type Air	Max. Density lb/gal	Plastic Vt cp	Depth, ft						
Service Line Cementing	Job Type Cem Interm Casing	Max. Allowed Ann. Pressure psi	Max. Allowed Tubing Pressure 1000 psi						
Wellhead Connection Single cement head		Perforations/Open Hole							
Top, ft		Bottom, ft	spf						
No. of Shots		Total Interval ft							
Diameter in									
Treat Down Casing		Displacement 58.3 bbl	Packer Type None						
Tubing Vol.		Casing Vol. 58.3 bbl	Annular Vol. 41.8 bbl						
Packer Depth ft		Open Hole Vol bbl							
Casing/Tubing Secured <input checked="" type="checkbox"/> 1 Hole Volume Circulated prior to Cementing									
Lift Pressure 620 psi		Pipe Reciprocated <input type="checkbox"/>							
Pipe Rotated <input type="checkbox"/>		Top Plugs: 1 Bottom Plugs:							
No. Centralizers:		Cement Head Type: Single							
Job Scheduled For:		Arrived on Location: 2008-Apr-09 11:30							
Leave Location: 2008-Apr-09 14:15		Casing Tools							
Shoe Type: Guide		Squeeze Job							
Shoe Depth: 1404 ft		Squeeze Type							
Stage Tool Type: None		Tool Type:							
Stage Tool Depth: ft		Tool Depth: ft							
Collar Type: None		Tail Pipe Size: in							
Collar Depth: ft		Tail Pipe Depth: ft							
Ssz Total Vol: bbl									
Date	Time	Treating Pressure psi	Flow Rate bbl/min	Density lb/gal	Volume bbl	CMT DISP VOL bbl	CMT STG VOL bbl	0	Message
2008-Apr-09	13:00	36	5.0	8.23	0.1	0.0	0.1	0	
2008-Apr-09	13:01	17	5.9	8.13	5.4	0.0	5.4	0	
2008-Apr-09	13:02	22	5.2	8.27	11.0	0.0	11.0	0	
2008-Apr-09	13:03	32	5.5	8.18	16.8	0.0	16.8	0	
2008-Apr-09	13:04	35	5.4	8.23	22.3	0.0	22.3	0	
2008-Apr-09	13:05	52	5.3	8.30	51.9	0.0	51.9	0	
2008-Apr-09	13:06	51	5.3	8.24	57.1	0.0	57.1	0	
2008-Apr-09	13:07	63	4.9	8.02	62.2	0.0	62.2	0	
2008-Apr-09	13:08	75	4.8	9.91	64.1	0.0	64.1	0	
2008-Apr-09	13:08								End Water
2008-Apr-09	13:08	77	4.5	10.35	64.2	0.0	64.2	0	Start Cement Slurry
2008-Apr-09	13:08	80	4.7	10.72	64.4	0.0	64.4	0	
2008-Apr-09	13:08								Reset Total, Vol = 64.36 bbl
2008-Apr-09	13:08	246	5.3	14.55	67.3	0.0	3.0	0	
2008-Apr-09	13:09	176	6.2	15.40	73.5	0.0	9.1	0	
2008-Apr-09	13:10	196	6.1	15.19	79.6	0.0	15.2	0	
2008-Apr-09	13:11	188	6.3	15.57	85.7	0.0	21.3	0	
2008-Apr-09	13:12	180	5.9	15.56	91.7	0.0	27.3	0	
2008-Apr-09	13:13	228	6.5	15.60	98.0	0.0	33.6	0	
2008-Apr-09	13:14	225	6.7	15.40	104.9	0.0	40.5	0	

Well		Field		Service Date		Customer		Job Number	
Minnie Hill # 1-D #1-D				08100-Apr-09		TRIAD RESOURCES INC		2200563343	
Date	Time	Treating Pressure	Flow Rate	Density	Volume	CMT DISP VOL	CMT STG VOL	0	Message
	24 hr clock	psi	bbl/min	lb/gal	bbl	bbl	bbl	0	
2008-Apr-09	13:15	220	6.9	15.62	111.7	0.0	47.3	0	
2008-Apr-09	13:16	118	5.1	15.48	118.4	0.0	54.0	0	
2008-Apr-09	13:16	2	0.8	15.40	119.4	0.0	55.0	0	
2008-Apr-09	13:16								
2008-Apr-09	13:17								End Cement Slurry
2008-Apr-09	13:17	6	0.2	15.40	119.4	0.0	55.0	0	Reset Total, Vol - 55.03 bbl
2008-Apr-09	13:17								
2008-Apr-09	13:17	4	0.1	15.40	119.4	0.0	0.0	0	Drop Top Plug
2008-Apr-09	13:17								
2008-Apr-09	13:17	6	0.0	15.40	119.4	0.0	0.0	0	Start Displacement
2008-Apr-09	13:17	11	0.0	15.33	119.4	0.0	0.0	0	
2008-Apr-09	13:18	11	0.0	12.56	119.4	0.0	0.0	0	
2008-Apr-09	13:19	72	6.1	9.10	123.0	3.5	3.6	0	
2008-Apr-09	13:20	42	6.7	8.43	129.9	10.4	10.5	0	
2008-Apr-09	13:21	41	6.7	8.36	130.2	10.7	16.8	0	
2008-Apr-09	13:22	42	6.2	8.20	142.7	23.2	23.3	0	
2008-Apr-09	13:23	124	5.3	8.36	147.8	28.3	28.4	0	
2008-Apr-09	13:24	235	4.9	8.17	153.0	33.5	33.6	0	
2008-Apr-09	13:25	433	4.7	8.36	157.9	38.5	38.5	0	
2008-Apr-09	13:26	588	4.5	8.36	162.5	43.1	43.1	0	
2008-Apr-09	13:27	632	4.0	8.35	166.8	47.3	47.4	0	
2008-Apr-09	13:28	477	2.2	8.36	169.3	49.9	49.9	0	
2008-Apr-09	13:29	482	2.1	8.20	171.5	52.0	52.1	0	
2008-Apr-09	13:30	758	2.3	8.09	173.6	54.2	54.2	0	
2008-Apr-09	13:31	729	2.1	8.36	175.9	56.4	56.5	0	
2008-Apr-09	13:32	692	2.1	8.36	177.9	58.5	58.6	0	
2008-Apr-09	13:33								
2008-Apr-09	13:33	1635	0.2	8.36	179.6	60.2	60.2	0	Bump Top Plug
2008-Apr-09	13:33								
2008-Apr-09	13:33	1634	0.0	8.36	179.6	60.2	60.2	0	End Displacement
2008-Apr-09	13:33	1632	0.0	8.36	179.6	60.2	60.2	0	
2008-Apr-09	13:34	1601	0.0	8.36	179.6	60.2	60.2	0	
2008-Apr-09	13:35	-0	0.0	8.35	179.6	60.2	60.2	0	
2008-Apr-09	13:41								

Post Job Summary									
Average Pump Rates, bpm		Slurry		Mud		Maximum Rate		Total Slurry	
N2		5				6		52.2	
Volume of Fluid Injected, bbl		Mud		Spcclear		N2		60	
Treating Pressure Summary, psi		Maximum		Final		Average		Bump Plug to Breakdown	
700				250		1600			
Avg. N2 Percent		%		Designed Slurry Volume		Displacement		Mix Water Temp	
		52.2 bbl		59.3 bbl		47 °F		<input checked="" type="checkbox"/> Cement Circulated to Surface?	
Customer or Authorized Representative		Beardmore, Rob		Schlumberger Supervisor		Brawley, David		<input type="checkbox"/> Circulation Lost	
								<input checked="" type="checkbox"/> Job Completed	

Customer TRIAD DRILLING COMPANY						Job Number 2200563345		
Well Minnie Hill # 1-D 1-D			Location (legal) Beattyville		Schlumberger Location Prestonsburg, KY		Job Start 2008-Apr-22	
Field Dirty-Sandstone		Formation Name/Type Dirty-Sandstone		Deviation °		Bit Size 6.5 in		Well MD 4,560 ft
County Lee		State/Province Ky		BHP psi	BHST 90 °F	BHCT 90 °F	Pore Press. Gradient psi/ft	
Well Master: 0631011658		API / UWI:		Casing/Liner				
Rig Name	Drilled For Oil	Service Via Land		Depth, ft 4544	Size, in 4.5	Weight, lb/ft 11.6	Grade	Thread 8rd
Offshore Zone	Well Class New	Well Type Development		Tubing/Drill Pipe				
Drilling Fluid Type air	Max. Density lb/gal	Plastic Vi: cp		Depth,	Size, in	Weight, lb/ft	Grade	Thread
Service Line Cementing	Job Type Cem Prod Casing		Perforations/Open Hole					
Max. Allowed Tubing Pressure 2200 psi	Max. Allowed Ann. Pressure 0 psi	WellHead Connection Single cement head		Top, ft	Bottom, ft	spf	No. of Shots	Total Interval ft
Service Instructions CEMENT 4 1/2" CASING PER CUSTOMER REQUEST:				Diameter in				
20 BBL Zone Lock				Treat Down Casing		Displacement 69.9 bbl	Packer Type	Packer Depth ft
LEAD: 200 SKS 35/65 POZ + 6% D020 + 2% S001				Tubing Vol. bbl		Casing Vol. 69.9 bbl	Annular Vol. 96.3 bbl	OpenHole Vol 0.24 bbl
TAIL: 150 SKS CLASS A + 2% S001								
SIDE: 10 GAL L055, 500 LBS D020, 50 LBS D974								
Casing/Tubing Secured <input checked="" type="checkbox"/>				1 Hole Volume Circulated prior to Cementing <input type="checkbox"/>				
Lift Pressure: 3286 psi				Casing Tools		Squeeze Job		
Pipe Rotated <input type="checkbox"/>				Shoe Type: Guide		Squeeze Type		
Pipe Reciprocated <input type="checkbox"/>				Shoe Depth: 4544 ft		Tool Type:		
No. Centralizers:	Top Plugs:	Bottom Plugs:		Stage Tool Type:		Tool Depth: ft		
Cement Head Type: Single				Stage Tool Depth: ft		Tail Pipe Size: in		
Job Scheduled For:				Collar Type: Latch in		Tail Pipe Depth: ft		
Arrived on Location: 2008-Apr-22 20:30				Collar Depth: 4544 ft		Sqz Total Vol: bbl		
Leave Location: 2008-Apr-22 23:30								
Date	Time	Treating Pressure psi	Flow Rate bbl/min	Density lb/gal	Volume bbl	0	0	0
	24 hr clock					0	0	0
2008-Apr-22	21:51	-18	0.0	7.72	0.0	0	0	0
2008-Apr-22	21:51							
2008-Apr-22	21:51	-18	0.0	7.72	0.0	0	0	0
2008-Apr-22	21:51							
2008-Apr-22	21:51	-18	0.0	7.72	0.0	0	0	0
2008-Apr-22	21:51							
2008-Apr-22	21:51	27	0.0	8.11	0.0	0	0	0
2008-Apr-22	21:52	27	0.0	8.13	0.0	0	0	0
2008-Apr-22	21:52	27	0.0	8.14	0.0	0	0	0
2008-Apr-22	21:52	37	0.0	8.20	0.0	0	0	0
2008-Apr-22	21:53							
2008-Apr-22	21:53	2559	0.0	8.21	0.0	0	0	0
2008-Apr-22	21:53	2536	0.0	8.22	0.0	0	0	0
2008-Apr-22	21:53	2449	0.0	8.22	0.0	0	0	0
2008-Apr-22	21:53	-32	0.0	8.22	0.0	0	0	0
2008-Apr-22	21:54	18	3.8	8.35	0.5	0	0	0
2008-Apr-22	21:54	64	5.3	8.38	2.1	0	0	0
2008-Apr-22	21:54	60	5.3	8.32	3.9	0	0	0
2008-Apr-22	21:55							
2008-Apr-22	21:55	60	5.3	8.29	5.0	0	0	0
2008-Apr-22	21:55	50	5.3	8.31	5.6	0	0	0
2008-Apr-22	21:55	37	5.3	8.42	7.4	0	0	0
2008-Apr-22	21:55	37	5.3	8.47	9.1	0	0	0
Message								
Start Job								
Pressure Test Lines								
Start Pumping Water								
Start pumping gel								

Well						Service Date		Customer		Job Number
Minnie Hill # 1-D #1-D						08113-Apr-22		TRIAD DRILLING COMPANY		2200563345
Date	Time	Treating Pressure	Flow Rate	Density	Volume	0	0	0	Message	
	24 hr clock	psi	bbl/min	lb/gal	bbl	0	0	0		
2008-Apr-22	21:56	46	5.3	8.56	10.9	0	0	0		
2008-Apr-22	21:56	46	5.3	8.62	12.7	0	0	0		
2008-Apr-22	21:56	37	5.3	8.63	14.4	0	0	0		
2008-Apr-22	21:57	41	5.3	8.66	16.2	0	0	0		
2008-Apr-22	21:57	32	5.3	8.64	17.9	0	0	0		
2008-Apr-22	21:57	55	5.3	8.65	19.7	0	0	0		
2008-Apr-22	21:58	60	5.3	8.65	21.5	0	0	0		
2008-Apr-22	21:58	41	5.3	8.65	23.2	0	0	0		
2008-Apr-22	21:58	27	5.3	8.70	25.0	0	0	0		
2008-Apr-22	21:59	32	5.3	8.69	26.7	0	0	0		
2008-Apr-22	21:59	50	5.3	8.67	28.5	0	0	0		
2008-Apr-22	21:59									
2008-Apr-22	21:59	55	5.3	8.54	30.0	0	0	0	End Pumping Gel	
2008-Apr-22	21:59	46	5.3	8.53	30.3	0	0	0		
2008-Apr-22	22:00	46	5.3	8.46	32.0	0	0	0		
2008-Apr-22	22:00	37	5.4	8.42	33.9	0	0	0		
2008-Apr-22	22:00	23	5.3	8.36	35.6	0	0	0		
2008-Apr-22	22:01	32	5.3	8.31	37.4	0	0	0		
2008-Apr-22	22:01	41	5.3	8.30	39.1	0	0	0		
2008-Apr-22	22:01	41	5.3	8.30	40.9	0	0	0		
2008-Apr-22	22:02	27	5.3	8.28	42.7	0	0	0		
2008-Apr-22	22:02	5	5.3	7.54	44.4	0	0	0		
2008-Apr-22	22:02	41	5.3	7.50	46.2	0	0	0		
2008-Apr-22	22:03	41	5.3	7.50	47.9	0	0	0		
2008-Apr-22	22:03	23	5.3	7.49	49.7	0	0	0		
2008-Apr-22	22:03	46	5.3	7.49	50.0	0	0	0		
2008-Apr-22	22:03									
2008-Apr-22	22:03	82	5.3	7.49	51.5	0	0	0	Start Calcium	
2008-Apr-22	22:04	78	5.3	7.49	53.2	0	0	0		
2008-Apr-22	22:04	50	5.3	7.49	55.0	0	0	0		
2008-Apr-22	22:04	32	5.3	7.49	56.7	0	0	0		
2008-Apr-22	22:05	27	5.3	7.49	58.5	0	0	0		
2008-Apr-22	22:05	27	5.3	7.49	60.2	0	0	0		
2008-Apr-22	22:05	23	5.3	7.49	62.0	0	0	0		
2008-Apr-22	22:06	-14	3.9	7.48	63.5	0	0	0		
2008-Apr-22	22:06									
2008-Apr-22	22:06	-5	3.9	7.48	63.5	0	0	0	Start Pumping Spacer	
2008-Apr-22	22:06	0	3.9	7.47	64.8	0	0	0		
2008-Apr-22	22:06	-46	0.0	7.31	65.1	0	0	0		
2008-Apr-22	22:07	-46	0.0	7.32	65.1	0	0	0		
2008-Apr-22	22:07	-41	0.0	7.32	65.1	0	0	0		
2008-Apr-22	22:07	-27	0.0	7.32	65.1	0	0	0		
2008-Apr-22	22:08	-41	0.0	7.32	65.1	0	0	0		
2008-Apr-22	22:08	-41	0.0	7.32	65.1	0	0	0		
2008-Apr-22	22:08	-41	0.0	7.32	65.1	0	0	0		
2008-Apr-22	22:09	-41	0.0	7.32	65.1	0	0	0		
2008-Apr-22	22:09	-41	0.0	7.32	65.1	0	0	0		
2008-Apr-22	22:09	-41	0.0	7.33	65.1	0	0	0		
2008-Apr-22	22:10	-41	0.0	7.33	65.1	0	0	0		
2008-Apr-22	22:10	-41	0.0	7.33	65.1	0	0	0		
2008-Apr-22	22:10	-41	0.0	7.33	65.1	0	0	0		
2008-Apr-22	22:11	-41	0.0	7.33	65.1	0	0	0		
2008-Apr-22	22:11	-41	0.0	7.33	65.1	0	0	0		
2008-Apr-22	22:11	-41	0.0	7.33	65.1	0	0	0		

Well						Service Date		Customer			Job Number
Minnie Hill # 1-D #1-D						08113-Apr-22		TRIAD DRILLING COMPANY			2200563345
Date	Time	Treating Pressure	Flow Rate	Density	Volume	0	0	0	Message		
	24 hr clock	psi	bbl/min	lb/gal	bbl	0	0	0			
2008-Apr-22	22:12	-41	0.0	7.33	65.1	0	0	0			
2008-Apr-22	22:12	-41	0.0	7.33	65.1	0	0	0			
2008-Apr-22	22:12	-41	0.0	7.33	65.1	0	0	0			
2008-Apr-22	22:13	-41	0.0	7.33	65.1	0	0	0			
2008-Apr-22	22:13	-41	0.0	7.33	65.1	0	0	0			
2008-Apr-22	22:13	-41	0.0	7.33	65.1	0	0	0			
2008-Apr-22	22:14	-41	0.0	7.33	65.1	0	0	0			
2008-Apr-22	22:14	-41	0.0	7.33	65.1	0	0	0			
2008-Apr-22	22:14	-41	0.0	7.33	65.1	0	0	0			
2008-Apr-22	22:15	-41	0.0	7.32	65.1	0	0	0			
2008-Apr-22	22:15	-41	0.0	7.32	65.1	0	0	0			
2008-Apr-22	22:15	-41	0.0	7.32	65.1	0	0	0			
2008-Apr-22	22:16	-41	0.0	7.32	65.1	0	0	0			
2008-Apr-22	22:16	-41	0.0	7.32	65.1	0	0	0			
2008-Apr-22	22:17	-41	0.0	7.32	65.1	0	0	0			
2008-Apr-22	22:17	-41	0.0	7.32	65.1	0	0	0			
2008-Apr-22	22:17	-41	0.0	7.32	65.1	0	0	0			
2008-Apr-22	22:18	-41	0.0	7.31	65.1	0	0	0			
2008-Apr-22	22:18	-9	0.0	0.27	65.1	0	0	0			
2008-Apr-22	22:18	-9	0.0	0.01	65.1	0	0	0			
2008-Apr-22	22:19	-41	0.0	0.01	65.1	0	0	0			
2008-Apr-22	22:19	-41	0.0	0.01	65.1	0	0	0			
2008-Apr-22	22:19	-41	0.0	0.01	65.1	0	0	0			
2008-Apr-22	22:20	-46	0.0	0.01	65.1	0	0	0			
2008-Apr-22	22:20	14	4.3	0.01	65.9	0	0	0			
2008-Apr-22	22:20	0	4.3	0.01	67.4	0	0	0			
2008-Apr-22	22:21	18	4.3	0.01	68.8	0	0	0			
2008-Apr-22	22:21	27	4.3	0.01	70.2	0	0	0			
2008-Apr-22	22:21	-5	4.3	0.01	71.7	0	0	0			
2008-Apr-22	22:22	-60	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:22								End Pumping Spacer		
2008-Apr-22	22:22	-55	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:22	-50	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:22	-50	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:23								Shutdown		
2008-Apr-22	22:23	-14	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:23	-46	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:23	-46	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:23								Wash Up		
2008-Apr-22	22:23	-46	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:23	-46	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:24	-46	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:24	-46	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:24	-46	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:25	-46	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:25	-46	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:25	0	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:26	-41	0.0	0.01	72.2	0	0	0			
2008-Apr-22	22:26	-46	0.0	8.14	72.2	0	0	0			
2008-Apr-22	22:26	-14	0.0	8.31	72.2	0	0	0			
2008-Apr-22	22:27	-23	0.0	8.25	72.2	0	0	0			
2008-Apr-22	22:27	-32	0.0	8.18	72.2	0	0	0			
2008-Apr-22	22:27	37	0.0	8.25	72.2	0	0	0			

Well						Service Date		Customer			Job Number
Minnie Hill # 1-D #1-D						08113-Apr-22		TRIAD DRILLING COMPANY			2200563345
Date	Time	Treating Pressure	Flow Rate	Density	Volume	0	0	0	Message		
	24 hr clock	psi	bbl/min	lb/gal	bbl	0	0	0			
2008-Apr-22	22:28	73	5.8	8.33	73.2	0	0	0			
2008-Apr-22	22:28	146	5.3	8.35	75.0	0	0	0			
2008-Apr-22	22:28	119	5.3	8.35	76.8	0	0	0			
2008-Apr-22	22:29	124	5.3	8.35	78.5	0	0	0			
2008-Apr-22	22:29	137	5.3	8.35	80.3	0	0	0			
2008-Apr-22	22:29	160	5.3	8.35	82.1	0	0	0			
2008-Apr-22	22:30	151	5.3	8.50	83.2	0	0	0			
2008-Apr-22	22:30								End Water		
2008-Apr-22	22:30								Start Mixing Lead Slurry		
2008-Apr-22	22:30	156	5.3	9.08	83.3	0	0	0			
2008-Apr-22	22:30	160	5.3	10.47	83.7	0	0	0			
2008-Apr-22	22:30								Reset Total, Vol = 83.68 bbl		
2008-Apr-22	22:30	169	5.3	10.62	83.9	0	0	0			
2008-Apr-22	22:30	243	5.3	13.90	85.6	0	0	0			
2008-Apr-22	22:30	256	5.3	13.51	87.4	0	0	0			
2008-Apr-22	22:31	233	5.3	13.33	89.2	0	0	0			
2008-Apr-22	22:31	197	5.3	13.19	91.0	0	0	0			
2008-Apr-22	22:31	156	5.3	13.21	92.7	0	0	0			
2008-Apr-22	22:32	151	5.3	13.31	94.5	0	0	0			
2008-Apr-22	22:32	133	5.3	13.08	96.3	0	0	0			
2008-Apr-22	22:32	124	5.3	13.46	98.0	0	0	0			
2008-Apr-22	22:32								Well circulating water		
2008-Apr-22	22:32	128	5.3	13.64	98.4	0	0	0			
2008-Apr-22	22:33	142	5.3	13.81	99.8	0	0	0			
2008-Apr-22	22:33	128	5.1	13.24	101.6	0	0	0			
2008-Apr-22	22:33	119	5.1	13.15	103.3	0	0	0			
2008-Apr-22	22:34	133	5.1	13.95	104.9	0	0	0			
2008-Apr-22	22:34	124	5.1	13.90	106.6	0	0	0			
2008-Apr-22	22:34	119	5.1	13.44	108.3	0	0	0			
2008-Apr-22	22:35	137	5.2	12.94	110.1	0	0	0			
2008-Apr-22	22:35	119	5.2	13.08	111.8	0	0	0			
2008-Apr-22	22:35	124	5.2	13.30	113.5	0	0	0			
2008-Apr-22	22:36	137	5.2	13.36	115.3	0	0	0			
2008-Apr-22	22:36	124	5.2	12.72	117.0	0	0	0			
2008-Apr-22	22:36	133	5.2	13.11	118.8	0	0	0			
2008-Apr-22	22:37	124	5.2	13.60	120.5	0	0	0			
2008-Apr-22	22:37	128	5.2	13.79	122.2	0	0	0			
2008-Apr-22	22:37	133	5.4	13.78	124.0	0	0	0			
2008-Apr-22	22:38	137	5.4	13.67	125.8	0	0	0			
2008-Apr-22	22:38	151	5.6	13.62	127.6	0	0	0			
2008-Apr-22	22:38	146	5.6	13.58	129.5	0	0	0			
2008-Apr-22	22:39	137	5.6	13.53	131.4	0	0	0			
2008-Apr-22	22:39	142	5.6	13.40	133.2	0	0	0			
2008-Apr-22	22:39	137	5.6	13.14	135.1	0	0	0			
2008-Apr-22	22:40	128	5.6	12.84	137.0	0	0	0			
2008-Apr-22	22:40	124	5.6	12.81	138.4	0	0	0			
2008-Apr-22	22:40								End Lead Slurry		
2008-Apr-22	22:40	124	5.6	12.85	138.5	0	0	0			
2008-Apr-22	22:40								Start Mixing Tail Slurry		
2008-Apr-22	22:40	124	5.6	13.14	138.9	0	0	0			
2008-Apr-22	22:40	160	5.6	14.69	140.8	0	0	0			
2008-Apr-22	22:41	179	5.6	14.78	142.7	0	0	0			
2008-Apr-22	22:41	192	5.6	15.50	144.5	0	0	0			
2008-Apr-22	22:41	188	5.6	15.39	146.4	0	0	0			

Well						Service Date		Customer		Job Number
Minnie Hill # 1-D #1-D						08113-Apr-22		TRIAD DRILLING COMPANY		2200563345
Date	Time	Treating Pressure	Flow Rate	Density	Volume	0	0	0	Message	
	24 hr clock	psi	bbl/min	lb/gal	bbl	0	0	0		
2008-Apr-22	22:42	192	5.6	15.34	148.3	0	0	0		
2008-Apr-22	22:42	197	5.6	15.45	150.2	0	0	0		
2008-Apr-22	22:42	197	5.6	15.55	152.1	0	0	0		
2008-Apr-22	22:43	201	5.6	15.56	153.9	0	0	0		
2008-Apr-22	22:43	201	5.6	15.57	155.8	0	0	0		
2008-Apr-22	22:43	201	5.6	15.54	157.7	0	0	0		
2008-Apr-22	22:44	179	5.5	15.47	159.5	0	0	0		
2008-Apr-22	22:44	169	5.3	15.52	161.3	0	0	0		
2008-Apr-22	22:44	188	5.5	15.63	163.1	0	0	0		
2008-Apr-22	22:45	156	5.3	15.43	164.9	0	0	0		
2008-Apr-22	22:45	183	5.5	15.36	166.7	0	0	0		
2008-Apr-22	22:45	114	4.1	15.43	168.2	0	0	0		
2008-Apr-22	22:46	101	3.8	15.88	169.5	0	0	0		
2008-Apr-22	22:46	92	0.6	15.88	169.8	0	0	0		
2008-Apr-22	22:46								End Tail Slurry	
2008-Apr-22	22:46								Drop Top Plug	
2008-Apr-22	22:46	96	0.0	15.86	169.8	0	0	0		
2008-Apr-22	22:46	110	0.0	15.82	169.8	0	0	0		
2008-Apr-22	22:46								Start Displacement	
2008-Apr-22	22:46								Wash Lines	
2008-Apr-22	22:46	110	0.0	15.54	169.8	0	0	0		
2008-Apr-22	22:46	82	0.0	15.45	169.8	0	0	0		
2008-Apr-22	22:46								Reset Total, Vol = 86.16 bbl	
2008-Apr-22	22:46	87	0.0	15.34	169.8	0	0	0		
2008-Apr-22	22:46	82	0.0	15.32	169.8	0	0	0		
2008-Apr-22	22:47	41	0.0	11.22	169.8	0	0	0		
2008-Apr-22	22:47	37	0.0	9.48	169.8	0	0	0		
2008-Apr-22	22:47	37	0.0	9.14	169.8	0	0	0		
2008-Apr-22	22:48	37	0.0	8.96	169.8	0	0	0		
2008-Apr-22	22:48	-5	0.0	8.90	169.8	0	0	0		
2008-Apr-22	22:48	14	0.0	8.87	169.8	0	0	0		
2008-Apr-22	22:49	9	4.0	8.83	170.4	0	0	0		
2008-Apr-22	22:49	-5	5.2	8.65	172.1	0	0	0		
2008-Apr-22	22:49	18	5.2	8.53	173.8	0	0	0		
2008-Apr-22	22:50	5	5.2	8.47	175.6	0	0	0		
2008-Apr-22	22:50	18	5.2	8.43	177.3	0	0	0		
2008-Apr-22	22:50	23	5.2	8.42	179.0	0	0	0		
2008-Apr-22	22:51	0	5.2	8.42	180.8	0	0	0		
2008-Apr-22	22:51	27	5.2	8.41	182.5	0	0	0		
2008-Apr-22	22:51	5	5.2	8.41	184.2	0	0	0		
2008-Apr-22	22:52	14	5.2	8.41	186.0	0	0	0		
2008-Apr-22	22:52	23	5.2	8.41	187.7	0	0	0		
2008-Apr-22	22:52	9	5.2	8.41	189.4	0	0	0		
2008-Apr-22	22:53	18	5.2	8.41	191.2	0	0	0		
2008-Apr-22	22:53	23	5.2	8.41	192.9	0	0	0		
2008-Apr-22	22:53	5	5.2	8.41	194.6	0	0	0		
2008-Apr-22	22:54	32	5.2	8.41	196.4	0	0	0		
2008-Apr-22	22:54	37	5.2	8.41	198.1	0	0	0		
2008-Apr-22	22:54	41	5.2	8.38	199.8	0	0	0		
2008-Apr-22	22:55	46	5.2	8.35	201.6	0	0	0		
2008-Apr-22	22:55	37	5.2	8.25	203.3	0	0	0		
2008-Apr-22	22:55	32	5.2	8.27	205.0	0	0	0		
2008-Apr-22	22:56	32	5.2	8.28	206.8	0	0	0		
2008-Apr-22	22:56	32	5.2	8.26	208.5	0	0	0		

Well						Service Date		Customer			Job Number
Minnie Hill # 1-D #1-D						08113-Apr-22		TRIAD DRILLING COMPANY			2200563345
Date	Time	Treating Pressure	Flow Rate	Density	Volume	0	0	0	Message		
	24 hr clock	psi	bbl/min	lb/gal	bbl	0	0	0			
2008-Apr-22	22:56	41	5.2	8.24	210.2	0	0	0			
2008-Apr-22	22:57	32	5.2	8.27	212.0	0	0	0			
2008-Apr-22	22:57	27	5.2	8.27	213.7	0	0	0			
2008-Apr-22	22:57	160	5.2	8.24	215.4	0	0	0			
2008-Apr-22	22:58	160	5.2	8.28	217.2	0	0	0			
2008-Apr-22	22:58	197	5.2	8.25	218.9	0	0	0			
2008-Apr-22	22:58	266	5.2	8.06	220.6	0	0	0			
2008-Apr-22	22:59	311	5.2	7.48	222.4	0	0	0			
2008-Apr-22	22:59	357	5.2	7.56	224.1	0	0	0			
2008-Apr-22	22:59	430	5.2	7.52	225.8	0	0	0			
2008-Apr-22	23:00	458	5.0	7.49	227.5	0	0	0			
2008-Apr-22	23:00	522	4.3	7.46	229.2	0	0	0			
2008-Apr-22	23:00	366	2.4	7.38	230.3	0	0	0			
2008-Apr-22	23:01	357	2.2	7.35	231.1	0	0	0			
2008-Apr-22	23:01	362	2.2	3.84	231.8	0	0	0			
2008-Apr-22	23:01	403	2.2	0.01	232.6	0	0	0			
2008-Apr-22	23:02	380	2.2	0.01	233.3	0	0	0			
2008-Apr-22	23:02	412	2.1	0.01	234.0	0	0	0			
2008-Apr-22	23:02	430	2.1	0.01	234.7	0	0	0			
2008-Apr-22	23:03	449	2.1	0.01	235.4	0	0	0			
2008-Apr-22	23:03	449	2.1	0.01	236.1	0	0	0			
2008-Apr-22	23:03	462	2.1	0.01	236.8	0	0	0			
2008-Apr-22	23:04	467	2.0	0.01	237.5	0	0	0			
2008-Apr-22	23:04	467	2.0	0.01	238.1	0	0	0			
2008-Apr-22	23:04	471	2.0	0.01	238.8	0	0	0			
2008-Apr-22	23:05	476	2.0	0.01	239.5	0	0	0			
2008-Apr-22	23:05	1291	0.0	0.01	239.9	0	0	0			
2008-Apr-22	23:05	1332	0.0	0.01	239.9	0	0	0			
2008-Apr-22	23:06	1648	0.3	0.01	240.0	0	0	0			
2008-Apr-22	23:06	1744	0.0	0.01	240.0	0	0	0			
2008-Apr-22	23:06	1744	0.0	0.01	240.0	0	0	0			
2008-Apr-22	23:07	1744	0.0	0.01	240.0	0	0	0			
2008-Apr-22	23:07	1744	0.0	0.01	240.0	0	0	0			
2008-Apr-22	23:07	1744	0.0	0.01	240.0	0	0	0			
2008-Apr-22	23:08	1744	0.0	0.01	240.0	0	0	0			
2008-Apr-22	23:08	1616	0.0	0.01	240.0	0	0	0			
2008-Apr-22	23:08								Bump Top Plug		
2008-Apr-22	23:08	1520	0.0	0.01	240.0	0	0	0			
2008-Apr-22	23:08								End Displacement		
2008-Apr-22	23:08	1465	0.0	0.01	240.0	0	0	0			
2008-Apr-22	23:08	-41	0.0	0.01	240.0	0	0	0			
2008-Apr-22	23:09	-41	0.0	0.01	240.0	0	0	0			
2008-Apr-22	23:09								End Job		
2008-Apr-22	23:09	-41	0.0	0.01	240.0	0	0	0			
2008-Apr-22	23:09	-41	0.0	0.01	240.0	0	0	0			
2008-Apr-22	23:09	-41	0.0	0.01	240.0	0	0	0			

Well Minnie Hill # 1-D #1-D				Service Date 08113-Apr-22		Customer TRIAD DRILLING COMPANY			Job Number 2200563345	
Date	Time 24 hr clock	Treating Pressure psi	Flow Rate bbl/min	Density lb/gal	Volume bbl	0	0	0	Message	
						0	0	0		
Post Job Summary										
Average Pump Rates, bpm					Volume of Fluid Injected, bbl					
Slurry	N2	Mud	Maximum Rate	Total Slurry	Mud	Spacer	N2			
3.9			5.8	86.2	25	10				
Treating Pressure Summary, psi					Breakdown Fluid					
Maximum	Final	Average	Bump Plug to	Breakdown	Volume	Density				
1744		418	1744			8.34 lb/gal				
Avg. N2 Percent		Designed Slurry Volume		Displacement	Mix Water Temp	<input type="checkbox"/> Cement Circulated to Surface? Volume bbl <input type="checkbox"/> Washed Thru Perfs To ft				
		89.5 bbl		70.1 bbl	52 °F					
Customer or Authorized Representative Earle, David				Schlumberger Supervisor Lucas, Christophe				<input type="checkbox"/> CirculationLost <input checked="" type="checkbox"/> Job Completed		

Polu Kai Services, LLC
37 North Washington Street, Suite 301
Falls Church, VA 22046
VA (703) 533-0039
KY (859) 771-5687

**ROUTINE
INSPECTION
NOTICE**

MIT 2-11-09
U.S. EPA
Region IV
61 Forsyth St. S.W.
Atlanta, GA 30303
(404) 562-9424

REASON FOR INSPECTION

The purpose of inspection by the duly designated representative of the Administrator is to gather data to determine if the person, or person in charge of such, subject to the underground injection control program has acted or is acting in compliance with Section 1445 of the SDWA 42 U.S.C. §300J-4(b). See reverse for quotes of Section 1445 of the SDWA 42 U.S.C. §300J-4(b)(1) and §300J-4(c).

OPERATOR	Triad Resources Inc	EPA ID NUMBER	1292152
CONTACT NAME		LEASE NAME / WELL #	Minnie Hill 1D
ADDRESS		EPA PERMIT NUMBER	KY10881
		STATE PERMIT NUMBER	N/A
PHONE NUMBER	740-374-2940	DOW NUMBER	1290209

INFORMATION ON TANK Triad PO Box 430 Reno OH 45773

WELL LOCATION

STATE	KY	LATITUDE N	37.61536
COUNTY	Lee	LONGITUDE W	83.61983
		ELEVATION GPS	900'

WELL COMPLETION

CLASS WELL	25	CASING INJECTOR	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	TUBING & PACKER	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	CASING SIZE	4 1/2	TUBING SIZE	2 7/8
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OPERATIONAL DATA

AC	SI	TA	AB	PA	CP	UC	NC	DE	AN	UK	
INJECTED FLUID	Produced	TUBING PSI	0	ANNULUS PSI	N/A	PUMP PSI	0	OPEN ANNULUS	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	ANNULUS FLUID	N/A

GENERAL SURFACE CONDITION OF WELL SITE: Great

ADVERSE FINDINGS / PROBLEMS / INCIDENTS ENCOUNTERED/WHO NOTIFIED? DESCRIBE:

Gravity feed

PERSONS ENCOUNTERED:

NAME:	CONTACT INFO:	PHONE:	EMAIL:
NAME:	CONTACT INFO:	PHONE:	EMAIL:
NAME:	CONTACT INFO:	PHONE:	EMAIL:

PHOTO #1 INJECTION WELL / FOCUS OR REFERENCE WELL) : DESCRIPTION

PHOTO #2 (TANK BATTERY), DESCRIPTION: GPS LOCATION

PHOTO #3 DESCRIPTION GPS LOCATION

PHOTO #4 DESCRIPTION GPS LOCATION

ADDITIONAL PHOTOS WITH DESCRIPTION AND GPS LOCATION:

OPERATOR REPRESENTATIVE

NAME
SIGNATURE
ADDRESS
PHONE
DATE

UIC INSPECTOR (Polu Kai Services, LLC)

NAME
SIGNATURE C. C. O. O.
DATE 1-4-11

SDWA 42 U.S.C. §300J-4(b)(1) Entry of establishments, facilities, or other property; inspections; conduct of certain tests; audit and examination of records; entry restrictions; prohibition against informing of a proposed entry.

...the Administrator, or duly designated representative, upon presenting appropriate credentials and written notice to any...person subject to (B) an applicable underground injection control program...or person in charge of the property of such...to determine whether such...other has acted or is acting in compliance with this subchapter, including for this purpose, inspection, at reasonable times, of records, files, papers, processes, controls, and facilities...

SDWA 42 U.S.C. §300J-4(C) Penalty

Whoever fails or refuses...to allow the Administrator...or representatives...to enter and conduct any audit or inspection by subsection (b) of this section shall be subject to a civil penalty...not to exceed \$25,000.

Polu Kai Services, LLC

137 North Washington Street, Suite 301
Falls Church, VA 22046
VA (703) 533-0039
KY (859) 771-5687

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INSPECTION
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OPERATOR	Hunter Disposal LLC	EPA ID NUMBER	1292152
CONTACT NAME		LEASE NAME / WELL #	Minnie Hill ID
ADDRESS		EPA PERMIT NUMBER	KY10881
		STATE PERMIT NUMBER	NIA
PHONE NUMBER	606.464.8415	DOW NUMBER	NIA

INFORMATION ON TANK Triad

WELL LOCATION

STATE	KY	LATITUDE N	37.61536
COUNTY	Lee	LONGITUDE W	-83.61983
		ELEVATION GPS	925

WELL COMPLETION

CLASS WELL ② 5	CASING INJECTOR	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	TUBING & PACKER	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	CASING SIZE	4 1/2"	TUBING SIZE	2 7/8"
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OPERATIONAL DATA

AC	SI	TA	AB	PA	CP	UC	NC	DE	AN	UK
INJECTED FLUID Produced	TUBING PSI	○	ANNULUS PSI	○	PUMP PSI	○	OPEN ANNULUS	YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>	ANNULUS FLUID	NIA

GENERAL SURFACE CONDITION OF WELL SITE: Good

ADVERSE FINDINGS / PROBLEMS / INCIDENTS ENCOUNTERED/WHO NOTIFIED? DESCRIBE:

PERSONS ENCOUNTERED:

NAME:	CONTACT INFO:	PHONE:	EMAIL:
NAME:	CONTACT INFO:	PHONE:	EMAIL:
NAME:	CONTACT INFO:	PHONE:	EMAIL:

PHOTO #1 INJECTION WELL / FOCUS OR REFERNECE WELL) : DESCRIPTION

PHOTO #2 (TANK BATTERY), DESCRIPTION: Nice GPS LOCATION 37.61522
-83.61800

PHOTO #3 DESCRIPTION GPS LOCATION

PHOTO #4 DESCRIPTION GPS LOCATION

ADDITIONAL PHOTOS WITH DESCRIPTION AND GPS LOCATION:

OPERATOR REPRESENTATIVE

NAME
SIGNATURE
ADDRESS
PHONE

DATE

UIC INSPECTOR (Polu Kai Services, LLC)

NAME
SIGNATURE C. L. [Signature]
DATE 3.24.14

SDWA 42 U.S.C. §300J-4(b)(1) Entry of establishments, facilities, or other property; inspections; conduct of certain tests; audit and examination of records; entry restrictions; prohibition against informing of a proposed entry.

...the Administrator, or duly designated representative, upon presenting appropriate credentials and written notice to any...person subject to (B) an applicable underground injection control program...or person in charge of the property of such...to determine whether such...other has acted or is acting in compliance with this subchapter, including for this purpose, inspection, at reasonable times, of records, files, papers, processes, controls, and facilities...

SDWA 42 U.S.C. §300J-4(C) Penalty

Whoever fails or refuses...to allow the Administrator...or representatives...to enter and conduct any audit or inspection by subsection (b) of this section shall be subject to a civil penalty...not to exceed \$25,000.

MECHANICAL INTEGRITY TEST INSPECTION FORM

U. S. Environmental Protection Agency (EPA)
Underground Injection Control (UIC) Program
Field Representative, Senior Executive Employee (SEE) Inspector

Company Name: Triad Contact Person: Mile Burnett
Address: PO Box 430 City: Reno State: OH
Zip: 45773 Phone Number: (740) 374-2940

WELL DESCRIPTION/LOCATION

EPA ID No.: KYS1292152 EPA Permit No: KYI0881 Rule-Auth? Y/N
Lease Name: M. n. n. e. H. H. Well No.: 1-D State Permit No.:
DOW Tank Battery Registration No.: Name on Tank Battery:
GPS Longitude: W 83° 37' 11.4" GPS Latitude: N 37° 36' 55.3"
Carter Coordinates: 18 N 71° 51' 51.6" E (FT) 950 (FT)

WELL COMPLETION

Class: II <input checked="" type="checkbox"/> V <input type="checkbox"/>	TOTAL DEPTH <u>4600</u> (FT)	SURFACE ELEVATION _____ (FT)
--	------------------------------	------------------------------

Injection Type: Gravity _____ Pump ☒ casing injector? Y/N tubing & packer? ☒

CASING STRING	CASING DIAMETER	CEMENT SHOE DEPTH	CEMENT VOLUME (SACKS/TYPE)	TOP OF CEMENT
SURFACE	<u>9 5/8"</u>	<u>60'</u>	<u>10 SX</u>	<u>SFC</u>
INTERMEDIATE	<u>7"</u>	<u>1404'</u>	<u>248 SX</u>	
PRODUCTION	<u>4 1/2"</u>	<u>4600'</u>	<u>250 SX</u>	
TUBING	<u>2 7/8"</u>			

TOP OF CEMENT CALCULATED FROM: RECORDS ☒ CEMENT BOND LOG _____ REMEDIAL _____

PACKER TYPE	<u>Baker-Hughes</u>	INJECTION FORMATION	
PACKER DEPTH	<u>4520'</u>	FORMATION NAME	<u>Knex</u>
PERFORATIONS	<u>4520' - 4530'</u>	TOP ELEVATION	

OPERATIONAL DATA

WELL STATUS: UC being activated [Active (AC), Temporarily abandoned (TA), Shut-In (SI), Plugged & Abandoned (PA), Abandoned (AB), Plugged and abandoned without EPA approval (AN), Under Construction (UC), Not Constructed (NC), Converted to Production (CP)]

Connected? ☒ Injecting? ☒

Injected Fluid: freshwater? _____ salt water? ☒ combination? _____ annular fluid: _____

injection rate (bbl/day) _____ injection Pressure (psi) _____ is annulus open? Y/N

tubing PSI _____ annulus PSI _____ pump PSI _____

ANNULAR PRESSURE TEST:

INITIAL TEST PRESSURE (PSI)	FINAL TEST PRESSURE (PSI)	PRESSURE CHANGE (+/- PSI)	LENGTH OF TEST
304	300	- 4	30 minutes

Comments/Findings:

p/pge

permit issued
eff 10.22.08

RECEIPT OF THIS NOTICE IS HEREBY ACKNOWLEDGED:

SIGNATURES

Operator Representative:

Mike Burnett

SEE Inspector:

SL [Signature]

INSPECTION DATE:

2/11/09

KYS 1292152